

# M&G (Lux)投資基金(1)

## 年度報告及經查核財務報告

截至 2024 年 3 月 31 日

(中文簡譯本)

M&G (Lux)投資基金(1)是盧森堡法律下具有可變動資本之投資公司(SICAV)

不受理僅以此財務報告為基礎之申購，有效申購應以最新之公開說明書為基礎。

若中文版與英文版之內容有衝突，應以英文版為準。

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# M&G (Lux)投資基金(1)

## 管理及行政

M&G (Lux)投資基金(1)董事會(以下稱「董事會」)提出截至 2024 年 3 月 31 日止之年度報告及經查核財務報告。

(略)

### 公司資訊

M&G (Lux)投資基金(1) (以下稱「本公司」) 為一依盧森堡 2010 年 12 月 17 日 UCI 法律第一部分 (並修訂) 設立之開放式且具有可變動資本之投資公司。

本公司經金融監管委員會(CSSF)依盧森堡大公國法律核准並受其規範。本公司設立於 2016 年 11 月 29 日,且為 2010 年 12 月 17 日規範集合投資事業之法律第一部分下之投資於可轉讓有價證券之規範集合投資事業(UCITS)。

本公司為一傘型基金,提供投資人了解各自子基金之多樣化投資策略範圍。每一子基金代表各自資產投資組合。

本公司之主要活動為執行具有可變動資本之投資公司之業務。本公司之架構為一傘型基金,董事會可不定期經金融監管委員核准成立不同子基金。

本公司本身為一盧森堡法律下之法人,每一子基金之資產及負債各自獨立且依照適用於每一子基金之投資目標及投資政策進行投資。股東無須負擔子基金之負債,且於支付申購股份之價金後,無須再支付子基金任何其他費用。

每一子基金得提供多於一種之股份級別。每一股份級別得根據其申購(包括具備資格條件)、贖回、最低持股、費用結構、幣別、避險政策及配息政策標準(更多股份級別資訊全部記載於本公司公開說明書內)有不同特徵。

### 董事會

P R Jelfs, L J Mumford, S Van Dootingh\*, Y Wagner\*  
\*獨立董事

### 基金、基金經理人及成立日

於 2024 年 3 月 31 日,以下子基金可供投資。請注意基金經理人為 M&G Limited (M&G Securities Limited 之關係企業) 之員工:

### M&G 新興市場債券基金

成立: 2018 年 9 月 17 日  
基金經理人: Claudia Calich 以及 Charles de Quinsonas

\*Charles de Quinsonas 於 2024 年 3 月 1 日被任命為共同子基金經理人。**M&G 環球股息基金**

成立: 2018 年 9 月 18 日  
基金經理人: Stuart Rhodes

### M&G ESG 巴黎協議全球永續股票基金

成立: 2018 年 11 月 9 日  
基金經理人: John William Olsen

### M&G 入息基金

成立: 2018 年 1 月 16 日  
共同基金經理人: Steven Andrew 與 Stefano Amato

### M&G 日本基金

成立: 2018 年 10 月 26 日  
基金經理人: Carl Vine

### M&G 日本小型股基金

成立: 2018 年 10 月 26 日  
基金經理人: Carl Vine

### M&G 北美股息基金

成立: 2018 年 11 月 9 日  
基金經理人: John Weavers

### M&G 收益優化基金

成立: 2018 年 9 月 5 日  
基金經理人: Richard Woolnough 以及 Stefan Isaacs

\*Stefan Isaacs 於 2024 年 2 月 5 日被任命為共同子基金經理人。

### M&G ESG 巴黎協議泛歐永續股票基金

成立: 2018 年 11 月 9 日  
基金經理人: John William Olsen

### M&G 短期優質債券基金

成立: 2018 年 10 月 26 日  
基金經理人: Matthew Russell 以及 Ben Lord

\*Ben Lord 於 2024 年 2 月 5 日被任命為共同子基金經理人。

### 管理機構

M&G Luxembourg S.A.  
16, boulevard Royal, 2449 Luxembourg, Luxembourg  
(經盧森堡金融監管委員會(CSSF)核准並受其規範)

本公司依 UCI 法律指定 M&G Luxembourg S.A. 為其管理機構，管理機構負責提供本公司投資管理服務、行政服務及市場服務。

依據 CSSF 規則及董事會之事先同意，管理機構得將其義務及權力之全部或一部委託予自然人或法人，於管理機構之監督下提供相同義務及權力。

#### 投資管理機構

M&G Investment Management Limited  
10, Fenchurch Avenue, London EC3M 5AG, UK\*

管理機構指定 M&G Investment Management Limited 為其投資管理機構，依投資目標及政策管理及投資子基金資產。

#### 次投資管理機構

M&G Investments (Singapore) Pte. Ltd.  
138 Market Street, #35-01 Capital Green, Singapore 048946, Singapore

M&G Investments (USA) Inc. 30, South Wacker Drive, Suite 3750 Chicago 60606 Illinois United States of America

管理機構指定 M&G Investments (Singapore) 為次投資經理，依投資目標及政策管理及投資以下子基金資產：M&G 日本基金、M&G 日本小型股基金

#### 登記及過戶代理機構

RBC Investor Services Bank S.A. (Luxembourg)  
14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg

管理機構及董事會指定 RBC Investor Services Bank S.A. 為其登記及過戶代理機構。

#### 存託及行政機構

State Street Bank International GmbH, Luxembourg Branch  
49, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

管理機構及董事會指定 State Street Bank International GmbH, Luxembourg Branch 為其行政機構。

#### 獨立查核會計師

Ernst & Young S.A.  
35E, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

#### 法律顧問

Elvinger Hoss Prussen, société anonyme  
2, Place Winston Churchill, L-1340 Luxembourg,

Grand Duchy of Luxembourg

#### 投資目標與政策

有關最新的投資目標、策略、基準以及歐盟永續按揭揭露相關法規之訊息，投資者應參閱我們網站上之公開說明書：[mandg.com/investments/lu](http://mandg.com/investments/lu)

#### M&G 新興市場債券基金

#### M&G 環球股息基金

#### M&G ESG 巴黎協議全球永續股票基金

#### M&G 入息基金

#### M&G 日本基金

#### M&G 日本小型股基金

#### M&G 北美股息基金

#### M&G 收益優化基金

#### M&G ESG 巴黎協議泛歐永續股票基金

#### M&G 短期優質債券基金

(略)

#### 投資人訊息

公開說明書、公司章程、簡式公開說明書、最新年度或半年度報告及財務報告，可於下列地址免費索取。或者，您可於我們的網站取得最新年度或半年度報告及財務報告之影本：

[mandg.com/investments/privateinvestor/en-lu/solutions/our-funds](http://mandg.com/investments/privateinvestor/en-lu/solutions/our-funds)

僅以此財務報告為基礎之申購將不受理，有效申購應以現行公開說明書、現行簡式公開說明書及最新公布之經查核年度財務報告或未經查核半年度財務報告為基礎。

此期間可申購及贖回之基金投資詳細清單，可於下列地址免費索取。

#### 客戶服務及行政

M&G Luxembourg S.A. 轉交 RBC I&TS  
14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg

電話: +352 2605 9944

電子郵件: [csmang@rbc.com](mailto:csmang@rbc.com)

以書面方式聯絡 M&G 時，請記得註明您的姓名、M&G 客戶編號及簽名，未提供上述資訊可能對於您能否與本公司進行交易造成影響。

為了安全原因及提升我們的服務品質，我們可能進行錄音並監控電話。

(略)

#### 董事會之責任

董事會應依據公司章程負責本公司所有管理及控

制。董事會亦應負責每一子基金投資目標及政策之施行，與行政及營運之監督。

視法律保留給股東之權力，董事會應擁有最廣泛之權力，代表本公司處理各種情況。

以下人員被指定為本公司董事：

Philip Jelfs 為董事。

Laurence Mumford 為董事。

Susanne Van Dootingh 為獨立董事。

Yves Wager 為獨立董事。

NadyaWells 為獨立董事。

董事會得指定一個或多個委員會、經核准之受託

人或代理人代表其行使職務。

(略)

#### **董事會之聲明**

本報告已依歐洲議會與理事會於 2009 年 7 月 13 日通過之 2009/65/EC 指令之要求而編製。

P R JELFS  
L J MUMFORD } 董事  
2024 年 7 月 17 日

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# M&G (Lux)投資基金(1)

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## 獨立查核會計師報告

### 致 M&G (Lux)投資基金(1)股東之獨立查核會計師報告

#### 意見

本事務所已查核 M&G (Lux)投資基金(1)（以下稱「該公司」）及其各子基金截至 2024 年 3 月 31 日止之財務報告，包括淨資產報告、投資組合報告、營運及淨資產變動表及財務報告之附註，包括重要會計政策摘要。

依本事務所之意見，本財務報告係允當表達該公司及其各子基金截至 2024 年 3 月 31 日止之財務狀況，暨當年度營運及淨資產變動表之結果，且已依照盧森堡有關財務報告編製及提出之法律及監管要求編製。

(略)

Pierre-Marie Boul

Ernst & Young  
特許審計公司

盧森堡  
2024 年 7 月 17 日

# M&G 環球股息基金

## M&G (Lux) Global Dividend Fund

2024 年 3 月 31 日止

淨資產報告		
	註	美元 (仟元)
<b>資產</b>		
投資資產	2c	3,191,529
<b>現金及銀行餘額</b>		
期貨結算所及擔保品經理持有金額	2c	0
約當現金		29,055
現金作為銀行餘額		15,213
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>44,268</b>
<b>其他資產</b>		
發行股份應收取之金額		25,75
債務證券應收利息	2c	156
衍生性金融商品應收收益	2d	0
應收股利	2d	17,859
其他應收款	2d	0
待交割之銷售	2c	16,543
<b>其他資產總計</b>		<b>37,133</b>
<b>資產總計</b>		<b>3,272,930</b>
<b>負債</b>		
投資負債	2c	0
<b>現金及銀行餘額</b>		
期貨結算所及擔保品經理透支部位	2c	(278)
<b>透支總計</b>		<b>(278)</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(235)
取消股份應付之金額	2d, 6	(6,453)
應付年度管理費用	2d, 6	(2,852)
應付查核費用	2d	(16)
應付保管交易費用	2d, 7	(38)
應付存託機構費用	2d, 7	(64)
其他應付款	2d	0
應付績效費	2f	0
待結算之購買	2d, 6	(4,245)
應付保管費用	2d, 7	(22)
應付稅款	2d, 9	(330)
<b>其他負債總計</b>		<b>(14,255)</b>
<b>負債總計</b>		<b>(14,533)</b>
<b>淨資產</b>		<b>3,258,397</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	美元（仟元）
<b>初始淨資產</b>		<b>3,391,604</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	0
銀行利息	2d	88
存款利息	2d	2,969
衍生性金融商品收入	2d	0
股利	2d	113,737
債務證券利息	2d	0
股利扣繳稅額及其他投資收 入	2d	(21,415)
<b>收入總計</b>		<b>95,379</b>
<b>支出</b>		
行政費用	2d, 6	(3,641)
年度管理費用	2d, 6	(43,849)
查核費用	2d	(17)
保管交易費用	2d, 7	(60)
存託機構費用	2d, 7	(66)
績效費用	2f	0
專業人士費用		(9)
保管費用	2d, 7	(99)
股份級別避險費用	2d, 6	0
申購稅費用	2d, 9	(1,381)
<b>支出總計</b>		<b>(49,122)</b>
<b>期間淨收入/（支出）</b>		<b>46,257</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	297,053
貨幣及遠期外匯合約	2c	0
期貨合約	2c,4	0
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		1
<b>已實現淨利益/（損失）</b>		<b>300,564</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	4,865
貨幣及遠期外匯合約	2c	(1)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>6,424</b>
<b>投資行為所致淨資產變動</b>		<b>353,245</b>
淨股份發行及贖回		(475,474)
配息	3,13	(10,978)
外幣折算		
<b>淨資產</b>		<b>3,258,397</b>



# M&G ESG 巴黎協議全球永續股票基金

## M&G (Lux) Global Sustain Paris Aligned Fund

2024 年 3 月 31 日止

淨資產報告		
	註	美元 (仟元)
<b>資產</b>		
投資資產	2c	459,832
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		0
約當現金		17,433
現金作為銀行餘額		2,408
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>19,841</b>
<b>其他資產</b>		
發行股份應收取之金額		710
債務證券應收利息	2c	53
衍生性金融商品應收收益	2d	0
應收股利	2d	392
其他應收款	2d	0
待交割之銷售	2c	121
<b>其他資產總計</b>		<b>1,276</b>
<b>資產總計</b>		<b>480,949</b>
<b>負債</b>		
投資負債	2c	0
現金及銀行餘額	2c	0
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(46)
取消股份應付之金額	2d, 6	(5,105)
應付年度管理費用	2d, 6	(338)
應付查核費用	2d	(18)
應付保管交易費用	2d, 7	(26)
應付存託機構費用	2d, 7	(11)
其他應付款	2d	(218)
待結算之購買	2d, 6	0
應付保管費用	2d, 7	(5)
應付稅款	2d, 9	(45)
<b>其他負債總計</b>		<b>(5,812)</b>
<b>負債總計</b>		<b>(5,812)</b>
<b>淨資產</b>		<b>475,137</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	美元（仟元）
<b>初始淨資產</b>		
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	0
銀行利息	2d	7
存款利息	2d	631
衍生性金融商品收入	2d	0
股利	2d	5,437
債務證券利息	2d	0
股利扣繳稅額及其他投資收入	2d	(968)
<b>收入總計</b>		<b>5,107</b>
<b>支出</b>		
行政費用	2d, 6	(546)
年度管理費用	2d, 6	(3,919)
查核費用	2d	(15)
保管交易費用	2d, 7	(36)
存託機構費用	2d, 7	(9)
績效費用	2f	0
專業人士費用		(1)
保管費用	2d, 7	(17)
股份級別避險費用	2d, 6	0
申購稅費用	2d, 9	(154)
<b>支出總計</b>		<b>(4,697)</b>
<b>期間淨收入/（支出）</b>		<b>410</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	14,524
貨幣及遠期外匯合約	2c	(256)
期貨合約	2c,4	
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		0
<b>已實現淨利益/（損失）</b>		<b>14,268</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	57,362
貨幣及遠期外匯合約	2c	(1)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>57,442</b>
<b>投資行為所致淨資產變動</b>		<b>72,120</b>
<b>淨股份發行及贖回</b>		<b>138,081</b>
配息	3,13	(13)
<b>外幣折算</b>		
<b>淨資產</b>		<b>475,137</b>

# M&G 入息基金

## M&G (Lux) Income Allocation Fund

2024 年 3 月 31 日止

淨資產報告		
	註	歐元 (仟元)
<b>資產</b>		
投資資產	2c	1,015,812
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		2,490
約當現金		0
現金作為銀行餘額		10,782
現金作為存款		12,765
<b>現金及銀行餘額總計</b>		<b>26,037</b>
<b>其他資產</b>		
發行股份應收取之金額		733
債務證券應收利息	2c	8,339
衍生性金融商品應收收益	2d	0
應收股利	2d	1,918
其他應收款	2d	0
待交割之銷售	2c	0
<b>其他資產總計</b>		<b>10,990</b>
<b>資產總計</b>		<b>1,052,839</b>
<b>負債</b>		
投資負債	2c	(3,288)
現金及銀行餘額	2c	
銀行透支	2c	(9,952)
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(114)
取消股份應付之金額	2d, 6	(2,996)
應付年度管理費用	2d, 6	(918)
應付查核費用	2d	(19)
應付保管交易費用	2d, 7	(42)
應付存託機構費用	2d, 7	(26)
其他應付款	2d	(10,551)
待結算之購買	2d, 6	(0)
應付保管費用	2d, 7	(22)
應付稅款	2d, 9	(112)
<b>其他負債總計</b>		<b>(14,804)</b>
<b>負債總計</b>		<b>(28,044)</b>
<b>淨資產</b>		<b>1,024,795</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	歐元（仟元）
<b>初始淨資產</b>		<b>1,117,2241</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	5,979
銀行利息	2d	423
存款利息	2d	325
衍生性金融商品收入	2d	0
股利	2d	25,177
債務證券利息	2d	21,492
股利扣繳稅額及其他投資收入	2d	(4,838)
<b>收入總計</b>		<b>48,558</b>
<b>支出</b>		
行政費用	2d, 6	(1,606)
年度管理費用	2d, 6	(14,705)
查核費用	2d	(22)
保管交易費用	2d, 7	(3,438)
存託機構費用	2d, 7	(36)
績效費用	2f	0
專業人士費用		(5)
保管費用	2d, 7	(91)
股份級別避險費用	2d, 6	(75)
申購稅費用	2d, 9	(486)
<b>支出總計</b>		<b>(20,464)</b>
<b>期間淨收入/（支出）</b>		<b>28,094</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	19,916
貨幣及遠期外匯合約	2c	(9,662)
期貨合約	2c,4	(4,327)
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		3
<b>已實現淨利益/（損失）</b>		<b>(3,109)</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	37,090
貨幣及遠期外匯合約	2c	9,420
期貨合約	2c	77
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>42,794</b>
<b>投資行為所致淨資產變動</b>		<b>67,779</b>
<b>淨股份發行及贖回</b>		<b>(109,285)</b>
<b>配息</b>	3,13	<b>(50,923)</b>
<b>外幣折算</b>		
<b>淨資產</b>		<b>1,024,795</b>

# M&G 日本基金

## M&G (Lux) Japan Fund

2024 年 3 月 31 日止

淨資產報告		
	註	日圓 (仟元)
<b>資產</b>		
投資資產	2c	13,366,041
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		0
約當現金		0
現金作為銀行餘額		265,251
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>265,251</b>
<b>其他資產</b>		
發行股份應收取之金額		201,623
債務證券應收利息	2c	0
衍生性金融商品應收收益	2d	0
應收股利	2d	118,343
其他應收款	2d	0
待交割之銷售	2c	89,515
<b>其他資產總計</b>		<b>409,481</b>
<b>資產總計</b>		<b>14,040,773</b>
<b>負債</b>		
投資負債	2c	(377)
現金及銀行餘額	2c	
銀行透支	2c	0
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(582)
取消股份應付之金額	2d, 6	(5,482)
應付年度管理費用	2d, 6	(3,124)
應付查核費用	2d	(236)
應付保管交易費用	2d, 7	0
應付存託機構費用	2d, 7	(410)
其他應付款	2d	0
待結算之購買	2d, 6	(408,992)
應付保管費用	2d, 7	(98)
應付稅款	2d, 9	(1,047)
<b>其他負債總計</b>		<b>(419,971)</b>
<b>負債總計</b>		<b>(420,348)</b>
<b>淨資產</b>		<b>13,620,425</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	日圓（仟元）
<b>初始淨資產</b>		<b>13,620,4259</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	(1,819)
銀行利息	2d	0
存款利息	2d	0
衍生性金融商品收入	2d	0
股利	2d	2,063,116
債務證券利息	2d	0
股利扣繳稅額及其他投資收入	2d	(315,966)
<b>收入總計</b>		<b>1,745,331</b>
<b>支出</b>		
行政費用	2d, 6	(111,938)
年度管理費用	2d, 6	(370,213)
查核費用	2d	(902)
保管交易費用	2d, 7	(4,305)
存託機構費用	2d, 7	(2,744)
績效費用	2f	0
專業人士費用		(33)
保管費用	2d, 7	(2,888)
股份級別避險費用	2d, 6	(522)
申購稅費用	2d, 9	(13,462)
<b>支出總計</b>		<b>(507,007)</b>
<b>期間淨收入</b>		<b>132,989</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	2,207,170
貨幣及遠期外匯合約	2c	362,994
期貨合約	2c,4	(12,306)
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		0
<b>已實現淨利益/（損失）</b>		<b>2,664,192</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	24,082,735
貨幣及遠期外匯合約	2c	(28,020)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>24,079,762</b>
<b>投資行為所致淨資產變動</b>		<b>27,982,278</b>
<b>淨股份發行及贖回</b>		<b>81,726,923</b>
配息	3,13	(65,770)
<b>外幣折算</b>		
<b>淨資產</b>		<b>123,263,856</b>

# M&G 日本小型股基金

## M&G (Lux) Japan Smaller Companies Fund

2024年3月31日止

### 淨資產報告

	註	日圓 (仟元)
<b>資產</b>		
投資資產	2c	37,489,438
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		0
約當現金		0
現金作為銀行餘額		705,595
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>705,595</b>
<b>其他資產</b>		
發行股份應收取之金額		155,443
債務證券應收利息	2c	0
衍生性金融商品應收收益	2d	0
應收股利	2d	345,443
其他應收款	2d	0
待交割之銷售	2c	77,362
<b>其他資產總計</b>		<b>578,248</b>
<b>資產總計</b>		<b>38,773,281</b>
<b>負債</b>		
投資負債	2c	(13,459)
現金及銀行餘額	2c	
銀行透支	2c	0
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(3,533)
取消股份應付之金額	2d, 6	(60,377)
應付年度管理費用	2d, 6	(21,691)
應付查核費用	2d	0
應付保管交易費用	2d, 7	0
應付存託機構費用	2d, 7	(696)
其他應付款	2d	0
待結算之購買	2d, 6	(21,261)
應付保管費用	2d, 7	(214)
應付稅款	2d, 9	(2,638)
<b>其他負債總計</b>		<b>(110,456)</b>
<b>負債總計</b>		<b>(123,915)</b>
<b>淨資產</b>		<b>38,649,366</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	日圓（仟元）
<b>初始淨資產</b>		<b>7,107,776</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	0
銀行利息	2d	(1,165)
存款利息	2d	0
衍生性金融商品收入	2d	0
股利	2d	768,957
債務證券利息	2d	0
股利扣繳稅額及其他投資收入	2d	(117,766)
<b>收入總計</b>		<b>650,262</b>
<b>支出</b>		
行政費用	2d, 6	(39,052)
年度管理費用	2d, 6	(250,481)
查核費用	2d	0
保管交易費用	2d, 7	0
存託機構費用	2d, 7	(0)
績效費用	2f	0
專業人士費用		(25)
保管費用	2d, 7	(1,095)
股份級別避險費用	2d, 6	(609)
申購稅費用	2d, 9	(8,907)
<b>支出總計</b>		<b>(301,079)</b>
<b>期間淨收入/（支出）</b>		<b>40,849</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	2,318,052
貨幣及遠期外匯合約	2c	486,497
期貨合約	2c,4	0
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		0
<b>已實現淨利益/（損失）</b>		<b>2,747,439</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	3,810,909
貨幣及遠期外匯合約	2c	(18,915)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>3,843,592</b>
<b>投資行為所致淨資產變動</b>		<b>6,940,214</b>
<b>淨股份發行及贖回</b>		<b>24,601,605</b>
配息	3,13	(229)
<b>外幣折算</b>		
<b>淨資產</b>		<b>38,649,336</b>



# M&G 北美股息基金

## M&G (Lux) North American Dividends Fund

2024 年 3 月 31 日止

淨資產報告		
	註	美元 (仟元)
<b>資產</b>		
投資資產	2c	285,857
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		0
約當現金		2,739
現金作為銀行餘額		767
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>3,506</b>
<b>其他資產</b>		
發行股份應收取之金額		202
債務證券應收利息	2c	17
衍生性金融商品應收收益	2d	0
應收股利	2d	350
其他應收款	2d	0
待交割之銷售	2c	1,433
<b>其他資產總計</b>		<b>2,002</b>
<b>資產總計</b>		<b>291,365</b>
<b>負債</b>		
投資負債	2c	(55)
現金及銀行餘額	2c	
銀行透支	2c	0
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(29)
取消股份應付之金額	2d, 6	(622)
應付年度管理費用	2d, 6	(246)
應付查核費用	2d	(16)
應付保管交易費用	2d, 7	(26)
應付存託機構費用	2d, 7	(9)
其他應付款	2d	0
待結算之購買	2d, 6	(257)
應付保管費用	2d, 7	(1)
應付稅款	2d, 9	(34)
<b>其他負債總計</b>		<b>(1,240)</b>
<b>負債總計</b>		<b>(1,295)</b>
<b>淨資產</b>		<b>290,070</b>

子基金成立日 (如在期間內) 當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	美元 (仟元)
<b>初始淨資產</b>		<b>376,966</b>
<b>收入</b>		
市場折扣增加/ (市場溢價攤銷)	2d	0
銀行利息	2d	8
存款利息	2d	194
衍生性金融商品收入	2d	0
股利	2d	5,700
債務證券利息	2d	0
股利扣繳稅額及其他投資收入	2d	(1,456)
<b>收入總計</b>		<b>4,446</b>
<b>支出</b>		
行政費用	2d, 6	(452)
年度管理費用	2d, 6	(3,702)
查核費用	2d	(15)
保管交易費用	2d, 7	(33)
存託機構費用	2d, 7	(2)
績效費用	2f	0
專業人士費用		(14)
保管費用	2d, 7	(4)
股份級別避險費用	2d, 6	(4)
申購稅費用	2d, 9	(144)
<b>支出總計</b>		<b>(4,370)</b>
<b>期間淨收入</b>		<b>76</b>
<b>已實現投資利益/(損失)</b>		
未含衍生性金融商品之投資	2c,4	34,980
貨幣及遠期外匯合約	2c	10
期貨合約	2c,4	0
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		0
<b>已實現淨利益/(損失)</b>		<b>34,996</b>
<b>未實現利益/(損失)變動</b>		
未含衍生性金融商品之投資	2c	41,140
貨幣及遠期外匯合約	2c	(398)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>40,725</b>
<b>投資行為所致淨資產變動</b>		<b>75,595</b>
<b>淨股份發行及贖回</b>		<b>(162,077)</b>
配息	3,13	(616)
外幣折算		
<b>淨資產</b>		<b>290,070</b>

# M&G 收益優化基金

## M&G (Lux) Optimal Income Fund

2024 年 3 月 31 日止

淨資產報告		
	註	歐元 (仟元)
<b>資產</b>		
投資資產	2c	8,802,014
<b>現金及銀行餘額</b>		
期貨結算所及擔保品經理持有金額		53,547
約當現金		443,554
現金作為銀行餘額		47,141
現金作為存款		349,891
<b>現金及銀行餘額總計</b>		<b>894,133</b>
<b>其他資產</b>		
發行股份應收取之金額		23,211
債務證券應收利息	2c	108,393
衍生性金融商品應收收益	2d	1,313
應收股利	2d	1,180
其他應收款	2d	7
待交割之銷售	2c	0
<b>其他資產總計</b>		<b>134,104</b>
<b>資產總計</b>		<b>9,830,251</b>
<b>負債</b>		
投資負債	2c	<b>(34,162)</b>
<b>現金及銀行餘額</b>		
銀行透支	2c	(4,729)
期貨結算所及擔保品經理透支部位	2c	(179,268)
<b>透支總計</b>		<b>(183,997)</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(187)
取消股份應付之金額	2d, 6	(28,765)
應付年度管理費用	2d, 6	(6,984)
應付查核費用	2d	(19)
應付保管交易費用	2d, 7	(71)
應付存託機構費用	2d, 7	(137)
其他應付款	2d	(9)
待結算之購買	2d, 6	(26,324)
應付保管費用	2d, 7	(51)
應付稅款	2d, 9	(1,074)
<b>其他負債總計</b>		<b>(63,641)</b>
<b>負債總計</b>		<b>(281,800)</b>
<b>淨資產</b>		<b>9,548,451</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

**營運及淨資產變動表**

	註	歐元（仟元）
<b>初始淨資產</b>		<b>9,527,956</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	77,936
銀行利息	2d	5,646
存款利息	2d	0
衍生性金融商品收入	2d	68,660
股利	2d	4,343
債務證券利息	2d	309,317
股利扣繳稅額及其他投資收入	2d	(613)
<b>收入總計</b>		<b>465,289</b>
<b>支出</b>		
行政費用	2d, 6	(2,751)
年度管理費用	2d, 6	(101,993)
查核費用	2d	(21)
保管交易費用	2d, 7	(225)
存託機構費用	2d, 7	(234)
績效費用	2f	0
專業人士費用		(16)
保管費用	2d, 7	(230)
股份級別避險費用	2d, 6	(259)
申購稅費用	2d, 9	(4,268)
<b>支出總計</b>		<b>(109,997)</b>
<b>期間淨收入</b>		<b>355,292</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	(555,942)
貨幣及遠期外匯合約	2c	(119,164)
期貨合約	2c,4	2,995
交換合約	2c	151,909
選擇權合約	2c	0
CSDR 處罰金額		7
<b>已實現淨利益/（損失）</b>		<b>(470,844)</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	838,906
貨幣及遠期外匯合約	2c	(18,017)
期貨合約	2c	(33,000)
交換合約	2c	525
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>790,809</b>
<b>投資行為所致淨資產變動</b>		<b>675,257</b>
<b>淨股份發行及贖回</b>		<b>(603,515)</b>
<b>配息</b>	3,13	<b>(51,247)</b>
<b>外幣折算</b>		
<b>淨資產</b>		<b>9,548,451</b>

# M&G ESG 巴黎協議泛歐永續股票基金

## M&G (Lux) Pan European Sustain Paris Aligned Fund

2024 年 3 月 31 日止

淨資產報告		
	註	歐元 (仟元)
<b>資產</b>		
投資資產	2c	256,518
現金及銀行餘額	2c	
期貨結算所及擔保品經理持有金額		0
約當現金		6,687
現金作為銀行餘額		1,996
現金作為存款		0
<b>現金及銀行餘額總計</b>		<b>8,683</b>
<b>其他資產</b>		
發行股份應收取之金額		154
債務證券應收利息	2c	0
衍生性金融商品應收收益	2d	0
應收股利	2d	937
其他應收款	2d	1
待交割之銷售	2c	0
<b>其他資產總計</b>		<b>1,092</b>
<b>資產總計</b>		<b>266,293</b>
<b>負債</b>		
投資負債	2c	<b>0</b>
現金及銀行餘額	2c	
銀行透支	2c	0
期貨結算所及擔保品經理透支部位	2c	0
<b>透支總計</b>		<b>0</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(26)
取消股份應付之金額	2d, 6	(90)
應付年度管理費用	2d, 6	(192)
應付查核費用	2d	(3)
應付保管交易費用	2d, 7	(5)
應付存託機構費用	2d, 7	(6)
其他應付款	2d	0
待結算之購買	2d, 6	
應付保管費用	2d, 7	(2)
應付稅款	2d, 9	(27)
<b>其他負債總計</b>		<b>(351)</b>
<b>負債總計</b>		<b>(351)</b>
<b>淨資產</b>		<b>265,942</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

<b>營運及淨資產變動表</b>		
	註	歐元（仟元）
<b>初始淨資產</b>		<b>138,307</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	0
銀行利息	2d	73
存款利息	2d	0
衍生性金融商品收入	2d	0
股利	2d	4,877
債務證券利息	2d	0
股利扣繳稅額及其他投資收入	2d	(420)
<b>收入總計</b>		<b>4,530</b>
<b>支出</b>		
行政費用	2d, 6	(297)
年度管理費用	2d, 6	(2,405)
查核費用	2d	(1)
保管交易費用	2d, 7	(6)
存託機構費用	2d, 7	(5)
績效費用	2f	0
專業人士費用		0
保管費用	2d, 7	(7)
股份級別避險費用	2d, 6	0
申購稅費用	2d, 9	(99)
<b>支出總計</b>		<b>(2,820)</b>
<b>期間淨收入</b>		<b>1,710</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	6,306
貨幣及遠期外匯合約	2c	(1)
期貨合約	2c,4	0
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		0
<b>已實現淨利益/（損失）</b>		<b>6,358</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	27,428
貨幣及遠期外匯合約	2c	105
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>27,533</b>
<b>投資行為所致淨資產變動</b>		<b>35,601</b>
<b>淨股份發行及贖回</b>		<b>92,034</b>
<b>配息</b>	3,13	<b>0</b>
<b>外幣折算</b>		
<b>淨資產</b>		<b>265,942</b>

# M&G 短期優質債券基金

## M&G (Lux) Short Dated Corporate Bond Fund

2024 年 3 月 31 日止

淨資產報告		
	註	歐元 (仟元)
<b>資產</b>		
投資資產	2c	459,898
<b>現金及銀行餘額</b>		
期貨結算所及擔保品經理持有金額	2c	0
約當現金		16,073
現金作為銀行餘額		1,501
現金作為存款		3,290
<b>現金及銀行餘額總計</b>		<b>20,864</b>
<b>其他資產</b>		
發行股份應收取之金額		6,222
債務證券應收利息	2c	4,866
衍生性金融商品應收收益	2d	9
應收股利	2d	0
其他應收款	2d	0
待交割之銷售	2c	0
<b>其他資產總計</b>		<b>11,097</b>
<b>資產總計</b>		<b>491,859</b>
<b>負債</b>		
投資負債	2c	(1,231)
<b>現金及銀行餘額</b>		
銀行透支	2c	0
期貨結算所及擔保品經理透支部位	2c	(921)
<b>透支總計</b>		<b>(921)</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(47)
取消股份應付之金額	2d, 6	(820)
應付年度管理費用	2d, 6	(44)
應付查核費用	2d	(15)
應付保管交易費用	2d, 7	(14)
應付存託機構費用	2d, 7	(13)
其他應付款	2d	0
待結算之購買	2d, 6	(4,985)
應付保管費用	2d, 7	(4)
應付稅款	2d, 9	(29)
<b>其他負債總計</b>		<b>(5,971)</b>
<b>負債總計</b>		<b>(8,123)</b>
<b>淨資產</b>		<b>483,736</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

<b>營運及淨資產變動表</b>		
	註	歐元（仟元）
<b>初始淨資產</b>		<b>423,137</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	1,721
銀行利息	2d	95
存款利息	2d	0
衍生性金融商品收入	2d	635
股利	2d	228
債務證券利息	2d	18,100
股利扣繳稅額及其他投資收入	2d	(21)
<b>收入總計</b>		<b>20,758</b>
<b>支出</b>		
行政費用	2d, 6	(679)
年度管理費用	2d, 6	(630)
查核費用	2d	(17)
保管交易費用	2d, 7	(32)
存託機構費用	2d, 7	(8)
績效費用	2f	0
專業人士費用		(14)
保管費用	2d, 7	(17)
股份級別避險費用	2d, 6	(8)
申購稅費用	2d, 9	(107)
<b>支出總計</b>		<b>(1,512)</b>
<b>期間淨收入/（支出）</b>		<b>19,246</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	278
貨幣及遠期外匯合約	2c	(6,848)
期貨合約	2c,4	(48)
交換合約	2c	443
選擇權合約	2c	0
CSDR 處罰金額		1
<b>已實現淨利益/（損失）</b>		<b>(6,673)</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	14,680
貨幣及遠期外匯合約	2c	(2,749)
期貨合約	2c	0
交換合約	2c	3
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>12,183</b>
<b>投資行為所致淨資產變動</b>		<b>24,756</b>
<b>淨股份發行及贖回</b>		<b>36,173</b>
<b>配息</b>	3,13	<b>(330)</b>
<b>外幣折算</b>		
<b>淨資產</b>		<b>483,736</b>



# M&G 新興市場債券基金

## M&G (Lux) Emerging Markets Bond Fund

2024年3月31日止

### 淨資產報告

	註	美元 (仟元)
<b>資產</b>		
投資資產	2c	3,504,319
<b>現金及銀行餘額</b>		
期貨結算所及擔保品經理持有金額	2c	0
約當現金		77,136
現金作為銀行餘額		1,364
現金作為存款		4,075
<b>現金及銀行餘額總計</b>		<b>82,575</b>
<b>其他資產</b>		
發行股份應收取之金額		2,568
債務證券應收利息	2c	64,406
衍生性金融商品應收收益	2d	0
應收股利	2d	2
其他應收款	2d	4
待交割之銷售	2c	1,305
<b>其他資產總計</b>		<b>68,285</b>
<b>資產總計</b>		<b>3,655,179</b>
<b>負債</b>		
投資負債	2c	(4,739)
<b>現金及銀行餘額</b>		
銀行透支	2c	(19,855)
期貨結算所及擔保品經理透支部位	2c	(1)
<b>透支總計</b>		<b>(19,856)</b>
<b>其他負債</b>		
應付行政費用	2d, 6	(261)
取消股份應付之金額	2d, 6	(1,644)
應付年度管理費用	2d, 6	(1,532)
應付查核費用	2d	(19)
應付保管交易費用	2d, 7	(48)
應付存託機構費用	2d, 7	(66)
其他應付款	2d	(5)
待結算之購買	2d, 6	0
應付保管費用	2d, 7	(82)
應付稅款	2d, 9	(189)
<b>其他負債總計</b>		<b>(3,850)</b>
<b>負債總計</b>		<b>(28,445)</b>
<b>淨資產</b>		<b>3,626,734</b>

子基金成立日（如在期間內）當年度至 2024 年 3 月 31 日止

<b>營運及淨資產變動表</b>		
	註	美元（仟元）
<b>初始淨資產</b>		<b>3,058,104</b>
<b>收入</b>		
市場折扣增加/ （市場溢價攤銷）	2d	20,524
銀行利息	2d	333
存款利息	2d	1,749
衍生性金融商品收入	2d	0
股利	2d	0
債務證券利息	2d	215,236
股利扣繳稅額及其他投資收入	2d	(1,189)
<b>收入總計</b>		<b>236,653</b>
<b>支出</b>		
行政費用	2d, 6	(3,641)
年度管理費用	2d, 6	(21,203)
查核費用	2d	(20)
保管交易費用	2d, 7	(139)
存託機構費用	2d, 7	(59)
績效費用	2f	0
專業人士費用		(6)
保管費用	2d, 7	(313)
股份級別避險費用	2d, 6	(63)
申購稅費用	2d, 9	(710)
<b>支出總計</b>		<b>(26,190)</b>
<b>期間淨收入/（支出）</b>		<b>210,463</b>
<b>已實現投資利益/（損失）</b>		
未含衍生性金融商品之投資	2c,4	(110,196)
貨幣及遠期外匯合約	2c	47
期貨合約	2c,4	(39)
交換合約	2c	0
選擇權合約	2c	0
CSDR 處罰金額		4
<b>已實現淨利益/（損失）</b>		<b>(135,408)</b>
<b>未實現利益/（損失）變動</b>		
未含衍生性金融商品之投資	2c	320,112
貨幣及遠期外匯合約	2c	(5,972)
期貨合約	2c	0
交換合約	2c	0
選擇權合約	2c	0
<b>未實現損失淨變動</b>		<b>312,611</b>
<b>投資行為所致淨資產變動</b>		<b>387,666</b>
<b>淨股份發行及贖回</b>		<b>197,577</b>
<b>配息</b>	3,13	<b>(16,613)</b>
<b>外幣折算</b>		
<b>淨資產</b>		<b>3,626,734</b>

# M&G (Lux) Investment Funds 1

## **Annual Report and audited Financial Statements for the year ended 31 March 2024**

M&G (Lux) Investment Funds 1 is a *Société d'investissement à capital variable* (SICAV) under Luxembourg Law

Registered Office:  
16, Boulevard Royal  
L-2449 Luxembourg  
The Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B210615

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Copies of the Annual Report including audited Financial Statements for the year ended 31 March 2024 may be obtained from the Registered Office of M&G (Lux) Investment Funds 1 at 16, Boulevard Royal L-2449 Luxembourg, The Grand Duchy of Luxembourg.

No subscription can be made solely on the basis of financial reports. Subscriptions are only valid if made on the basis of the current Prospectus accompanied by the Key Investor Information Document(s) and the most recently published Annual Report including audited Financial Statements, or the most recent unaudited semi-annual report, if published thereafter.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. Because of this, investors are not certain to make a profit on their investments and may lose money.

# Management and administration

The Board of Directors of M&G (Lux) Investment Funds 1 (the 'Board' or its 'Directors') presents its Annual Report and audited Financial Statements for the year ended 31 March 2024.

Please note that an explanation of key investment terminology is available on our website at [mandg.com/private-investor/glossary](http://mandg.com/private-investor/glossary). A printed copy of the glossary is available upon request by calling customer services and administration as shown within the 'Investor information' section of this report.

## Fund information

M&G (Lux) Investment Funds 1 (the 'Fund') is an Open-Ended Investment Company incorporated under the laws of The Grand Duchy of Luxembourg as a *Société d'Investissement à Capital Variable* (SICAV) in accordance with the provision of part 1 of the law dated 17 December 2010 on undertakings for Collective Investment, as amended (the 'UCI Law').

The Fund is authorised and regulated by the *Commission de Surveillance du Secteur Financier* (CSSF) under the laws of the The Grand Duchy of Luxembourg. The Fund was incorporated on 29 November 2016 and is an Undertaking for Collective Investment in Transferable Securities (UCITS) scheme under part 1 of the UCI Law.

The Fund is an umbrella fund designed to offer investors access to a variety of investment strategies through a range of separate sub-funds. Each sub-fund represents a separate portfolio of assets.

The Fund's principal activity is to carry on business as a SICAV. The Fund is structured as an umbrella fund, and different sub-funds may be established by the Board from time to time with the approval of the CSSF.

Under Luxembourg law, the Fund is itself a legal entity, and the assets and liabilities of each sub-fund are segregated from one another and invested in accordance with the investment objectives and investment policies applicable to each sub-fund. Shareholders are not liable for the debts of the respective sub-fund. A Shareholder is not liable to make

any further payment to the respective sub-fund after payment has been made in full for the purchase of shares.

Each sub-fund may offer more than one class of shares. Each share class may have different features with respect to its criteria for subscription (including eligibility requirements), redemption, minimum holding, fee structure, currency, hedging policy and distribution policy (further information on share classes is fully described in the Fund's Prospectus).

## Board of Directors

As at the financial year ended 31 March 2024, and up to the date of this report, the following individuals were appointed as Directors of the Fund:

P R Jelfs, L J Mumford, N Wells<sup>a</sup>, S van Dootingh<sup>a</sup>, Y Wagner<sup>a</sup>

<sup>a</sup> Independent Director

## Sub-funds, sub-fund managers and launch dates

As at the financial year ended 31 March 2024, the following sub-funds are available for investment. Please note the sub-fund managers are employed by M&G FA Limited, which is an associate of M&G Luxembourg S.A.

### M&G (Lux) Absolute Return Bond Fund

Launched: 21 December 2016

Sub-fund manager: Wolfgang Bauer

On 3 November 2023 the M&G (Lux) Absolute Return Bond Fund was liquidated and is no longer available for investment.

### M&G (Lux) Asian Fund

Launched: 26 October 2018

Sub-fund manager: David Perrett

### M&G (Lux) Better Health Solutions Fund

Launched: 2 March 2023

Sub-fund manager: Jasveet Brar

### M&G (Lux) Climate Solutions Fund

Launched: 12 November 2020

Sub-fund manager: Michael Rae

### M&G (Lux) Diversity and Inclusion Fund

Launched: 18 November 2021

Sub-fund manager: Thembeke Stemela

# Management and administration

## **M&G (Lux) Dynamic Allocation Fund**

Launched: 16 January 2018

Co-sub-fund managers: Craig Moran and Steven Andrew

## **M&G (Lux) Emerging Markets Bond Fund**

Launched: 17 September 2018

Co-sub-fund managers: Claudia Calich and Charles de Quinsonas

On 1 March 2024 Charles de Quinsonas was appointed co-sub-fund manager.

## **M&G (Lux) Emerging Markets Hard Currency Bond Fund**

Launched: 22 May 2017

Co-sub-fund managers: Claudia Calich and Charles de Quinsonas

On 1 March 2024 Charles de Quinsonas was appointed co-sub-fund manager.

## **M&G (Lux) Episode Macro Fund**

Launched: 26 October 2018

Sub-fund manager: David Fishwick

## **M&G (Lux) Euro Corporate Bond Fund**

Launched: 9 November 2018

Co-sub-fund managers: Stefan Isaacs and Matthew Russell

At the start the review period Gareth Jandrell was co-sub-fund manager. He was replaced on 1 January 2024 by Matthew Russell.

## **M&G (Lux) European Inflation Linked Corporate Bond Fund**

Launched: 16 March 2018

Co-sub-fund managers: Matthew Russell and Ben Lord

On 5 February 2024 Ben Lord was appointed co-sub-fund manager.

## **M&G (Lux) European Strategic Value Fund**

Launched: 18 September 2018

Sub-fund manager: Richard Halle

## **M&G (Lux) Fixed Maturity Bond 2**

Launched: 8 November 2023

Sub-fund manager: Stefan Isaacs

## **M&G (Lux) Fixed Maturity Bond 3**

Launched: 27 September 2023

Sub-fund manager: Wolfgang Bauer

## **M&G (Lux) Global Artificial Intelligence Fund**

Launched: 10 November 2023

Sub-fund manager: Jeffrey Lin

## **M&G (Lux) Global Convertibles Fund**

Launched: 9 November 2018

Sub-fund manager: Léonard Vinville

## **M&G (Lux) Global Corporate Bond Fund**

Launched: 7 December 2018

Co-sub-fund managers: Ben Lord and Mario Eisenegger

On 1 January 2024 Mario Eisenegger was appointed co-sub-fund manager.

## **M&G (Lux) Global Dividend Fund**

Launched: 18 September 2018

Sub-fund manager: Stuart Rhodes

## **M&G (Lux) Global Emerging Markets Fund**

Launched: 26 October 2018

Sub-fund manager: Michael Bourke

## **M&G (Lux) Global Enhanced Equity Premia Fund**

Launched: 10 December 2019

Sub-fund manager: Gautam Samarth

On 27 July 2023 the M&G (Lux) Global Enhanced Equity Premia Fund was liquidated and is no longer available for investment.

## **M&G (Lux) Global Floating Rate High Yield Fund**

Launched: 13 September 2018

Co-sub-fund managers: James Tomlins, Lu Yu and Stefan Isaacs

On 5 February 2024 Lu Yu and Stefan Isaacs were appointed co-sub-fund managers.

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

Launched: 9 November 2018

Co-sub-fund managers: Stefan Isaacs and Luke Coha

At the start the review period James Tomlins was co-sub-fund manager. He was replaced on 15 January 2024 by Luke Coha.

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

Launched: 5 October 2017

Sub-fund manager: Alex Araujo

## **M&G (Lux) Global Macro Bond Fund**

Launched: 26 October 2018

Co-sub-fund managers: Jim Leaviss and Eva Sun-Wai

On 5 February 2024 Eva Sun-Wai was appointed co-sub-fund manager.



# Management and administration

## **M&G (Lux) Global Maxima Fund**

Launched: 11 December 2019

Sub-fund manager: Gautam Samarth

## **M&G (Lux) Global Sustain Paris Aligned Fund**

Launched: 9 November 2018

Sub-fund manager: John William Olsen

## **M&G (Lux) Global Target Return Fund**

Launched: 21 December 2016

Sub-fund manager: Tristan Hanson

## **M&G (Lux) Global Themes Fund**

Launched: 19 March 2019

Sub-fund manager: Alex Araujo

## **M&G (Lux) Income Allocation Fund**

Launched: 16 January 2018

Co-sub-fund managers: Steven Andrew and Stefano Amato

## **M&G (Lux) Japan Fund**

Launched: 26 October 2018

Sub-fund manager: Carl Vine

## **M&G (Lux) Japan Smaller Companies Fund**

Launched: 26 October 2018

Sub-fund manager: Carl Vine

## **M&G (Lux) Multi Asset 2023 Fund**

Launched: 14 December 2017

Sub-fund manager: Craig Moran

On 13 December 2023 the M&G (Lux) Multi Asset 2023 Fund matured and is no longer available for investment.

## **M&G (Lux) North American Dividend Fund**

Launched: 9 November 2018

Sub-fund manager: John Weavers

## **M&G (Lux) North American Value Fund**

Launched: 9 November 2018

Sub-fund manager: Daniel White

## **M&G (Lux) Optimal Income Fund**

Launched: 5 September 2018

Co-sub-fund managers: Richard Woolnough and Stefan Isaacs

On 5 February 2024 Stefan Isaacs was appointed co-sub-fund manager.

## **M&G (Lux) Pan European Sustain Paris Aligned Fund**

Launched: 9 November 2018

Sub-fund manager: John William Olsen

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

Launched: 29 November 2018

Sub-fund manager: John William Olsen

## **M&G (Lux) Short Dated Corporate Bond Fund**

Launched: 26 October 2018

Co-sub-fund managers: Matthew Russell and Ben Lord

On 5 February 2024 Ben Lord was appointed co-sub-fund manager.

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

Launched: 29 November 2018

Sub-fund manager: Maria Municchi

## **M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund**

Launched: 25 July 2019

Co-sub-fund managers: Charles de Quinsonas and Nick Smallwood

On 1 March 2024 Nick Smallwood was appointed co-sub-fund manager.

## **M&G (Lux) Sustainable Global High Yield Bond Fund**

Launched: 5 October 2017

Co-sub-fund managers: James Tomlins and Lu Yu

At the start the review period Stefan Isaacs was co-sub-fund manager. He was replaced on 15 January 2024 by Lu Yu.

## **M&G (Lux) Sustainable Macro Flexible Credit Fund**

Launched: 24 February 2022

Co-sub-fund managers: Jim Leaviss, Richard Ryan and Eva Sun-Wai

On 5 February 2024 Eva Sun-Wai was appointed co-sub-fund manager.

## **M&G (Lux) Sustainable Multi Asset Growth Fund**

Launched: 7 December 2021

Sub-fund manager: Maria Municchi

## **M&G (Lux) Sustainable Optimal Income Bond Fund**

Launched: 14 December 2021

Co-sub-fund managers: Richard Woolnough, Anjolie Rusius and Stefan Isaacs

On 5 February 2024 Anjolie Rusius and Stefan Isaacs were appointed co-sub-fund managers.

# Management and administration

## **M&G (Lux) TAP Global Listed Infrastructure Fund**

Launched: 16 November 2023

Sub-fund manager: Alex Araujo

## **M&G (Lux) US Corporate Bond Fund**

Launched: 19 March 2024

Co-sub-fund managers: Erica Tully, Anthony Balestrieri and Nikhill Patel

## **M&G (Lux) US High Yield Bond Fund**

Launched: 21 March 2024

Co-sub-fund managers: Nikhill Patel, Erica Tully and Anthony Balestrieri

# Management and administration

## Management Company

M&G Luxembourg S.A.  
16, Boulevard Royal  
L-2449 Luxembourg  
The Grand Duchy of Luxembourg  
(Authorised and regulated by the CSSF in Luxembourg)

The Fund has appointed M&G Luxembourg S.A. to serve as its management company within the meaning of the UCI Law. The Management Company is responsible for the provision of investment management services, administrative services and marketing services to the Fund.

The Management Company also acts as the management company for other funds.

In accordance with the CSSF Rules and with the prior consent of the Directors, the Management Company may delegate all or part of its duties and powers to any person or entity, provided such duties and powers remain under the supervision and responsibility of the Management Company.

## Investment manager

M&G Investment Management Limited  
10, Fenchurch Avenue  
London EC3M 5AG  
United Kingdom

The Management Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the sub-funds pursuant to their respective investment objectives and policies.

## Sub-Investment managers

M&G Investments (Singapore) Pte. Ltd.  
138, Market Street, #35-01 Capital Green  
Singapore 048946  
Singapore

M&G Investments (USA) Inc.  
30, South Wacker Drive, Suite 3750  
Chicago 60606  
Illinois  
United States of America

With the prior consent of the Management Company, the Investment Manager may delegate its investment management functions to one or more sub-investment

managers to provide discretionary investment management services in respect of a sub-fund or part of a sub-fund's portfolio. The Investment Manager or sub-investment manager of a sub-fund may also appoint an investment adviser to provide investment advice in respect of a sub-fund or part of a sub-fund's portfolio. The list of appointed sub-investment managers and investment advisers is available on the M&G website. M&G Investments (Singapore) Pte. Ltd. and M&G Investment (USA) Inc. have been appointed and act as sub-investment managers for the sub-funds mentioned on the abovementioned website.

## Registrar and transfer agent

CACEIS Investor Services Bank S.A.\*  
14, Porte de France  
L-4360 Esch-sur-Alzette  
The Grand Duchy of Luxembourg

The Management Company, in conjunction with the Board of Directors, has appointed CACEIS Investor Services Bank S.A.\* as registrar and transfer agent of the Fund.

\* RBC Investor Services Bank S.A. changed its name to CACEIS Investor Services Bank S.A. on 3 July 2023.

## Depository and administrator

State Street Bank International GmbH,  
Luxembourg Branch  
49, Avenue John F. Kennedy  
L-1855 Luxembourg  
The Grand Duchy of Luxembourg

The Management Company, in conjunction with the Board of Directors, has appointed State Street Bank International GmbH, Luxembourg Branch as depository and administrator of the Fund.

# Management and administration

## Independent auditor

Ernst & Young S.A.  
35E, Avenue John F. Kennedy  
L-1855 Luxembourg  
The Grand Duchy of Luxembourg

## Legal Adviser

Elvinger Hoss Prussen S.A.  
2, place Winston Churchill  
L-1340 Luxembourg  
The Grand Duchy of Luxembourg

## Investment objective and policy

For information on the latest Investment Objective and Policy, Strategy, Benchmark and EU Sustainable Finance Disclosure Regulation, investors should refer to the Prospectus which is available on our website at [mandg.lu](http://mandg.lu)

# Management and administration

## Important information

The events in Ukraine continue to bring uncertainty. The Management Company continues to monitor the associated risks that are posed to the Fund.

M&G (Lux) Global Enhanced Equity Premia Fund was liquidated on 27 July 2023.

M&G (Lux) Fixed Maturity Bond Fund 3 was launched on 27 September 2023.

M&G (Lux) Absolute Return Bond Fund was liquidated on 3 November 2023.

M&G (Lux) Fixed Maturity Bond Fund 2 was launched on 7 November 2023.

M&G (Lux) Global Artificial Intelligence Fund was launched on 9 November 2023.

M&G (Lux) TAP Global Listed Infrastructure Fund was launched on 16 November 2023.

M&G (Lux) Multi Asset 2023 Fund matured on 13 December 2023.

M&G (Lux) US Corporate Bond Fund was launched on 19 March 2024.

M&G (Lux) US High Yield Bond Fund was launched on 21 March 2024.

As at the year end date of this report the most recent Visa Stamped Prospectus was approved by the CSSF on 18 March 2024.

As at the year end the sub-funds below are launched and available for investment:

M&G (Lux) Asian Fund

M&G (Lux) Better Health Solutions Fund

M&G (Lux) Climate Solutions Fund

M&G (Lux) Diversity and Inclusion Fund

M&G (Lux) Dynamic Allocation Fund

M&G (Lux) Emerging Markets Bond Fund

M&G (Lux) Emerging Markets Hard Currency Bond Fund

M&G (Lux) Episode Macro Fund

M&G (Lux) Euro Corporate Bond Fund

M&G (Lux) European Inflation Linked Corporate Bond Fund

M&G (Lux) European Strategic Value Fund

M&G (Lux) Fixed Maturity Bond Fund 2

M&G (Lux) Fixed Maturity Bond Fund 3

M&G (Lux) Global Artificial Intelligence Fund

M&G (Lux) Global Convertibles Fund

M&G (Lux) Global Corporate Bond Fund

M&G (Lux) Global Dividend Fund

M&G (Lux) Global Emerging Markets Fund

M&G (Lux) Global Floating Rate High Yield Fund

M&G (Lux) Global High Yield Bond Fund

M&G (Lux) Global Listed Infrastructure Fund

M&G (Lux) Global Macro Bond Fund

M&G (Lux) Global Maxima Fund

M&G (Lux) Global Sustain Paris Aligned Fund

M&G (Lux) Global Target Return Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Income Allocation Fund

M&G (Lux) Japan Fund

M&G (Lux) Japan Smaller Companies Fund

M&G (Lux) North American Dividend Fund

M&G (Lux) North American Value Fund

M&G (Lux) Optimal Income Fund

M&G (Lux) Pan European Sustain Paris Aligned Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Short Dated Corporate Bond Fund

M&G (Lux) Sustainable Allocation Fund

M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund

M&G (Lux) Sustainable Global High Yield Bond Fund

# Management and administration

M&G (Lux) Sustainable Macro Flexible Credit Fund

M&G (Lux) Sustainable Multi Asset Growth Fund

M&G (Lux) Sustainable Optimal Income Bond Fund

M&G (Lux) TAP Global Listed Infrastructure Fund

M&G (Lux) US Corporate Bond Fund

M&G (Lux) US High Yield Bond Fund

Please note there have been share class launches during the year for numerous sub-funds within the umbrella. Please see the long-term performance table in each sub-fund's Financial highlights for the share class launch details.

# Management and administration

## Investor information

The Prospectus, Articles of Incorporation, Key Investor Information Documents, glossary, latest annual or interim report and financial statements of the Fund are available free of charge on request from the addresses as detailed below. Alternatively, you can obtain a copy of the latest annual or interim report and financial statements from our website at [mandg.com/investments/private-investor/en-lu/solutions/our-funds](http://mandg.com/investments/private-investor/en-lu/solutions/our-funds)

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current Prospectus, the current Key Investor Information Document, accompanied by the latest audited annual report or unaudited interim report if published thereafter.

A detailed list of investments purchased and sold for any sub-fund during the year is available upon request, free of charge, from the following address:

## Customer services and administration

M&G Luxembourg S.A.,  
c/o CACEIS Investor Services Bank S.A.\*  
14, Porte de France  
L-4360 Esch-sur-Alzette  
The Grand Duchy of Luxembourg

Telephone: +352 2605 9944

Email: [csmamdg@caceis.com](mailto:csmamdg@caceis.com)

\* RBC Investor Services Bank S.A. changed its name to CACEIS Investor Services Bank S.A. on 3 July 2023.

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

For security purposes and to improve the quality of our service, telephone calls may be recorded and monitored.

## Austrian facilities agent

Société Générale, Vienna Branch  
Prinz Eugen-Strasse 8-10/5/Top 11  
1040 Wien  
Austria

## Belgian facilities agent

ABN AMRO Bank N.V., Belgium Branch  
Riderveldlaan 5 bus 4  
2600 Berchem  
Belgium

## Danish representative and paying agent

Nordea Bank Danmark A/S  
Client Relations DK, Investor Services & Solutions  
Postbox 850, Reg. No. 6428. HH. 6.1.  
0900 Copenhagen C  
Denmark

## French centralising agent

CACEIS Investor Services Bank France S.A.  
105, rue Réaumur  
75002 Paris  
France

## German facilities agent

M&G Luxembourg S.A., Niederlassung Deutschland  
mainBuilding, Taunusanlage 19  
60325 Frankfurt/Main  
Germany

## Greek facilities and distributor

Eurobank Ergasias S.A.  
8, Othonos Street  
10557 Athens  
Greece

## Greek paying agents and distributors

Alpha Bank A.E.  
40, Stadiou Street  
10252 Athens  
Greece

Piraeus Bank S.A.  
4, Amerikis Street  
10564 Athens  
Greece

## Irish facilities agent

Société Générale S.A., Dublin Branch  
3rd Floor IFSC House – IFSC  
Dublin 1  
Ireland

# Management and administration

## Italian facilities agent

Allfunds Bank S.A.  
Via Bocchetto 6  
20123 Milano MI  
Italy

## Italian paying agents

Banca Monte dei Paschi di Siena S.p.A.  
Piazza Salimbeni 3  
53100 Siena  
Italy

Banca Sella Holding S.p.A.  
Piazza Gaudenzio Sella 1  
13900 Biella  
Italy

CACEIS Bank Luxembourg, Milan Branch  
Piazza Cavour 2  
20121 Milano  
Italy

State Street Bank S.p.A.  
Via Ferrante Aporti 10  
20125 Milano  
Italy

Société Générale Securities Services S.A.  
Via Benigno Crespi 19A - MAC 2  
20159 Milano  
Italy

## Liechtenstein paying agent

VP Bank AG  
9490 Vaduz  
Liechtenstein

## Liechtenstein facilities agent

M&G Luxembourg S.A., Niederlassung Deutschland  
mainBuilding, Taunusanlage 19  
60325 Frankfurt/Main  
Germany

## Netherlands facilities agent

M&G Luxembourg S.A., Dutch Branch  
Zuidplein 36  
1077XV Amsterdam  
Netherlands

## Portuguese facilities agent and distributor

Best - Banco Electrónico de Serviço Total S.A.  
Praça Marquês de Pombal, no. 3 - 3º  
1250-161 Lisboa  
Portugal

## Spanish facilities agent and representative

Allfunds Bank S.A.  
Calle Estafeta, No. 6 Complejo Plaza de la Fuente  
La Moraleja 28109, Alcobendas, Madrid  
Spain

## Swedish facilities agent

M&G Luxembourg S.A., Svensk Filial  
Birger Jarlsgatan 14  
114 34 Stockholm  
Sweden

## Swedish paying agent

Nordea Bank AB (publ)  
Smålandsgatan 17  
105 71 Stockholm  
Sweden

## Danish, Finland and Swedish facilities agent

M&G Luxembourg S.A., Svensk Filial  
Birger Jarlsgatan 14  
114 34 Stockholm  
Sweden

## Swiss paying agent and representative

Société Générale, Paris, Zurich Branch  
Talacker 50, P.O. Box 5070  
8021 Zurich  
Switzerland

## United Kingdom facilities agent

Société Générale London  
One Bank Street, Canary Wharf  
London E14 4SG  
United Kingdom



# Directors' Report

## Directors of the Fund

### Philip Jelfs

Mr Jelfs has been a director of the Fund since inception. He joined M&G in 2006 and now is Global Head of Product. He is responsible for products throughout the product life-cycle. He is also a Director of M&G Securities Limited, a UK based Authorised Corporate Director. Mr Jelfs has an honours degree in Geography & War Studies from Kings College, London University and an MBA.

### Laurence Mumford

Mr Mumford has been a director of the Fund since inception and is Chair of the Fund Board. He is Distribution Governance Director and currently Chair of M&G Securities Limited, a UK based Authorised Corporate Director. Mr Mumford is a member of the Investment Association's Investment Funds Committee which aims to facilitate strategic understanding and issue resolutions across the industry. Mr Mumford is a chartered accountant and joined M&G in 2000 having previously worked at PricewaterhouseCoopers.

### Susanne van Dootingh – Independent Director

Ms van Dootingh has been an independent non-executive director of the Fund since 12 February 2019. Ms van Dootingh is an independent non-executive director of several Luxembourg domiciled investment funds and management companies. Ms van Dootingh was previously at State Street Global Advisors (SSGA) from 2002 to 2017 with her final position being Senior Managing Director, Head of European Governance and Regulatory Strategy EMEA. Prior to this she held various senior positions at SSGA in Global Product Development and Global Fixed Income Strategy. Before joining SSGA in 2002 she was a fixed income strategist and portfolio manager at Fortis Investment Management, Barclays Global Investors, and ABN AMRO Asset Management.

### Yves Wagner – Independent Director

Dr. Wagner has been an independent non-executive director of the Fund since inception. Dr. Wagner started his non-academic career with Banque Générale du Luxembourg where he became Director of Asset Management, before becoming the Chief Executive Officer and Board member of Fortis Investments, Luxembourg. He founded 'The Directors' Office' and is today an independent director for several financial institutions. He has been an advisor to the Luxembourg School of Finance (LSF), a business school of the University of Luxembourg.

Dr. Wagner holds a '*Doctorat ès Sciences Economiques*' (PhD) from the University of Aix-Marseille III, France.

Dr. Wagner was for many years the Chairman of the Luxembourg Society of Financial Analysts (ALGAFI) and Board Member of the European Federation of Financial Analysts Societies (EFFAS).

### Nadya Wells – Independent Director

Ms Wells has over 25 years' experience as a long-term investor and governance specialist. Latterly she spent 13 years with the Capital Group, as a portfolio manager and investment analyst with a focus on EMEA markets until 2014. Prior to that she was a portfolio manager at Invesco Asset Management investing in Eastern Europe in closed end funds until 1999. She started her career with EY in management consulting. She holds an MBA from INSEAD, an MA from Oxford University and an MSc from the University of Geneva.

# Directors' Report

## Directors' responsibilities

The Directors are responsible for the overall management and control of the Fund in accordance with the Articles. The Directors are further responsible for the implementation of each sub-fund's investment objective and policies, as well as for oversight of the administration and operations of each sub-fund.

The Directors shall have the broadest powers to act in any circumstances on behalf of the Fund, subject to the powers reserved by law to the Shareholders.

The following persons have been appointed as Directors of the Fund:

**Philip Jelfs**, Director.

**Laurence Mumford**, Director.

**Susanne van Dootingh**, Independent Director.

**Yves Wagner**, Independent Director.

**Nadya Wells**, Independent Director.

The Directors may appoint one or more committees, authorised delegates or agents to act on their behalf.

## Delegation of functions

### Management Company

The Fund has appointed M&G Luxembourg S.A., pursuant to the Management Agreement, to serve as its management company within the meaning of the UCI Law.

The Management Company performs certain functions, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Fund.

The Management Company acts as the management company of the Fund under the freedom to provide services organised by the UCITS Directive. In accordance with the relevant provisions of the UCI Law, the Management Company will be required to comply with the CSSF Rules (being the rules of the Management Company's 'home member state' for the

purposes of the UCI Law) in relation to the organisation of the Management Company, including its delegation arrangements, risk management procedures, prudential rules and supervision, applicable prudential rules regarding the Management Company's management of UCITS authorised under the UCITS Directive and the Management Company's reporting requirements. The Management Company shall comply with the UCI Law as regards the constitution and functioning of the Fund.

The Fund has appointed the Management Company as its corporate and domiciliary agent. The Management Company will be responsible for the domiciliation of the Fund and will perform, inter alia, the functions as foreseen in the Luxembourg law of 31 May 1999 on the domiciliation of companies, as amended from time to time, and, in particular, allow the Fund to establish its registered office at the registered office of the Management Company, and provide facilities necessary for the meetings of the Fund's Directors, officers and/or of the Shareholders of the Fund.

### Distributor

M&G Luxembourg S.A. acts as the distributor of Shares.

### Investment manager

The Management Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the sub-funds pursuant to their respective investment objectives and policies.

The Investment Manager was appointed pursuant to the Investment Management Agreement. Under the Investment Management Agreement, the Investment Manager has full discretion, subject to the overall review and control of the Management Company and the Directors, to purchase and sell securities and otherwise to manage the assets of the Fund on a discretionary basis. The Investment Manager is also entitled to delegate investment management under the terms set out in the Investment Management Agreement.

# Directors' Report

## Registrar and transfer agent

The Management Company has appointed CACEIS Investor Services Bank S.A. as registrar and transfer agent of the Fund on behalf of the Board of Directors.

Under the Registrar and Transfer Agency Agreement, the registrar and transfer agent is responsible for processing the issue, redemption and transfer of shares, as well as for the keeping of the register of Shareholders, subject to the overall review and control of the Management Company and the Directors.

## Administrator

The Management Company has appointed State Street Bank International GmbH, Luxembourg Branch as the Administrator of the Fund on behalf of the Board of Directors. The Administrator will carry out certain administrative duties related to the administration of the Fund, including the calculation of the Net Asset Value of the shares and the provision of accounting services to the Fund, subject to the overall review and control of the Management Company and the Directors.

## Hedging services

The Management Company has appointed State Street Europe Limited to undertake certain currency hedging functions in respect of Currency Hedged Share Classes.

## Depositary

The Management Company in conjunction with the Board of Directors has appointed State Street Bank International GmbH, Luxembourg Branch as the Depositary.

The Depositary shall perform all of the duties and obligations of a depositary under the UCITS Directive and the Luxembourg implementing laws and regulations with respect to each sub-fund.

The Depositary has been entrusted with the following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with applicable law and the Articles;
- ensuring that the value of the shares is calculated in accordance with applicable law and the Articles;
- carrying out the instructions of the Management Company or the Fund (as the case may be), unless such instructions conflict with applicable law or the Articles;
- ensuring that, in transactions involving the assets of the Fund, any consideration is remitted to the Fund within the usual time limits;
- ensuring that the income of the Fund is applied in accordance with applicable law and the Articles;
- monitoring and oversight of the Fund's cash and cashflows in accordance with the UCITS Directive and the Luxembourg implementing laws and regulations; and
- safe-keeping of the Fund's assets, including the safe-keeping of financial instruments that can be held in custody and ownership verification and record-keeping in relation to other assets.

## Fair Valuation and liquidity

As noted in the important information section, financial markets have been impacted by the invasion of Ukraine. Within the portfolios a small number of Russian securities are held. These securities were fair valued by the Board of Directors and marked as such in the statement of investments. The holding of these securities has not impacted the liquidity of the sub-funds and has not raised any going concern issues for the Fund.

There have not been any significant difficulties in valuing the portfolio during and since the year end.

# Directors' Report

## Directors' statement

This report has been prepared in accordance with the requirements of the UCITS Directive 2009/65/EC of the European Parliament and Council of 13 July 2009.

P R Jelfs, Director

L J Mumford, Director

17 July 2024

# Independent Auditor's Report

## Independent Auditor's Report to the shareholders of M&G (Lux) Investment Funds 1

### Opinion

We have audited the financial statements of M&G (Lux) Investment Funds 1 (the 'Fund') and of each of its sub-funds, which comprise the statement of net assets and the statement of investments as at 31 March 2024, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at 31 March 2024, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the 'Law of 23 July 2016') and with International Standards on Auditing ('ISAs') as adopted for Luxembourg by the 'Commission de Surveillance du Secteur Financier' ('CSSF'). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the 'responsibilities of the *réviseur d'entreprises agréé* for the audit of the financial statements' section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ('IESBA Code') as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

# Independent Auditor's Report

## Responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the 'réviseur d'entreprises agréé' that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the 'réviseur d'entreprises agréé' to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the 'réviseur d'entreprises agréé'. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Pierre-Marie Boul

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Luxembourg  
17 July 2024

# Market review

Financial markets experienced bouts of turbulence and swings in sentiment during the 12-month review period. Investors' changing views on the macroeconomic outlook and the direction of interest rates, in particular, drove significant volatility in asset prices. Market narratives oscillated between various scenarios, such as economic recession, 'higher for longer' interest rates and the prospect of rate cuts.

Despite the changeable backdrop, global equity markets registered healthy gains in the 12 months, recovering strongly from the declines in 2022. This was arguably due to the resilience of the global economy and the fact that the widely anticipated recession did not materialise.

Bond markets had a more challenging time, as central banks continued to hike interest rates in their efforts to bring inflation under control. Despite a powerful rally in bond prices at the end of 2023 when policymakers indicated that rates had potentially peaked, US government bonds (Treasuries) ended the period in negative territory.

The battle against inflation remained the main focus for investors during the review period. Although inflationary pressures in advanced economies broadly eased, helped by falling food and energy prices, inflation remained above central banks' targets.

Inflation also continued to slow in the eurozone where it came in at 2.6% in February 2024, heading towards the European Central Bank's 2% target.

Against this background, there was a growing expectation that major central banks had reached or were close to the peak in the rate tightening cycle. The European Central Bank raised rates to a record high of 4.0% in September but indicated that it was the final hike in this cycle.

Even the Bank of Japan (BoJ) joined in the rate-hiking process. It ended its negative interest rate policy as it increased rates for the first time in 17 years from -0.1% to a range of 0%-0.1% following a jump in consumer prices and wages.

On the other hand, Switzerland's central bank became the first developed market central bank to kick off the rate easing cycle, reducing its key interest rate by 25 basis points to 1.5% in March.

From the summer onwards, the prospect that central banks might keep interest rates at elevated levels for a prolonged period to bring inflation down – the 'higher for longer' scenario – unsettled investors. Developed market government bond markets experienced a sharp sell-off and global stock markets also fell steeply in this environment, with weak economic data contributing to the pessimistic environment.

Although geopolitical risks increased following the attack on Israel by Hamas in October, investors' mood brightened considerably in the final two months of the year. Encouraging inflation data and indications that the Fed's rate hiking cycle had ended sparked a powerful two-month rally in bond and equity markets. Growing optimism about a 'soft landing' and the prospect of rate cuts in 2024 buoyed investor risk appetite and saw bond and equities prices recover from earlier weakness.

There was one last twist in the first quarter of 2024. The bond market rally faded as robust economic data in the US and elevated inflation saw investors push back their timing of potential rate cuts by central banks. On the other hand, equity markets continued to climb, with stockmarkets in the US and Japan reaching record highs.

Against this backdrop, the MSCI AC World Index gained 23.8% in the 12 months (in US dollars), with the US one of the best-performing markets. Much of the gains on Wall Street were driven by a handful of big technology and 'growth' stocks, the so-called 'Magnificent Seven' – Apple, Microsoft, Alphabet, Amazon, Tesla, Meta and NVIDIA. Several of these stocks benefited from the buzz around artificial intelligence (AI) and helped the technology-focused Nasdaq Composite Index rise 35%.

# Market review

Japan's stockmarket also had a strong 12 months, driven by optimism that corporate governance reforms might lead to improved shareholder returns and signs that Japan might be emerging from decades of deflation. European equities registered double-digit returns as well, led by stocks in Italy and Spain.

In contrast, Asia ex Japan and emerging market equities underperformed their developed market counterparts, principally due to weakness in China. However, Latin America was a bright spot in emerging markets, with share prices in Brazil, Mexico and Peru rallying. Argentina's stockmarket soared after Javier Milei's victory in the presidential election. India and Taiwan also bucked the downward trend in Asia.

From a sector perspective, there was a wide divergence of returns. Information technology, and semiconductor stocks, in particular, delivered healthy returns driven by excitement about AI. Communication services and financials also outperformed the broader market. Conversely, defensive areas such as consumer staples and healthcare were among the weakest sectors. Real estate and utilities, two areas which are perceived to be sensitive to interest rates, were laggards too.

In the bond markets, investors' changing expectations for interest rates during the period caused considerable volatility. The rally at the end of 2023 fuelled by the Fed's policy 'pivot' towards rate cuts helped bond prices recover from losses earlier in the period. In a dramatic turnaround, the Bloomberg Global Aggregate Index of government and corporate debt ended the year up 0.5% (in US dollars), having been down about 4% in mid-October.

Corporate bonds outperformed government debt, with the riskier high yield debt delivering the strongest returns (11.1%). Emerging market bonds also made healthy gains, with US dollar-denominated debt outperforming local currency bonds, which were hurt by the strength of the US dollar.

M&G Investment Management Limited  
31 March 2024



# Investment review

## For the period from 1 April 2023 until 3 November 2023

The sub-fund was closed on 3 November 2023 following investor notification.

### Fund positioning

Prior to closure in November, the sub-fund held around 20% in short-dated corporate bonds; 12% in long-dated corporate bonds and almost 16% in government bonds. Within the corporate bond allocation, banking and financial services continued to be favoured.

The sub-fund was cautiously positioned in terms of its duration stance (meaning, it kept duration relatively short, as generally bonds with longer duration are more sensitive to changes in interest rates), as we felt the persistent inflationary backdrop could put further pressure on yields.

### Performance review

The period up until sub-fund closure was generally a calmer time for bond markets, compared with the start of 2023 when we narrowly avoided a banking crisis with the collapse of Silicon Valley Bank in the US. Nevertheless, central banks continued to raise interest rates at most of their meetings which was detrimental for global bond prices. Concern over rising US debt issuance, and ratings agency Fitch's downgrading of the US economy's credit rating from AAA to AA+, were also negative for markets.

Meanwhile, core year-on-year inflation measures indicated an easing in many economies. The European Central Bank (ECB) continued to hike interest rates in September, with the deposit rate reaching an all-time high of 4%. Whilst the US Federal Reserve and Bank of England both kept rates steady in September, market participants pushed out the likely timing of any rate cuts.

Between the start of the review period and the 3 November 2023 when it closed, the sub-fund delivered a mix of negative and positive total returns (the combination of capital growth and income) and was behind the 3-month EURIBOR + 2.5% across all its euro share classes in the period under review. In other

currencies, the sub-fund's share classes were behind the respective benchmarks as well.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Wolfgang Bauer

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class up to close date 3 November 2023

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation <sup>a</sup>	-0.4	-2.9	-0.7	-0.3	21.12.16
Class 'A' Distribution <sup>a</sup>	-0.4	-2.9	-0.7	-0.3	21.12.16
Class 'B' Accumulation <sup>a</sup>	-0.6	-3.2	-1.0	-0.9	08.05.18
Class 'B' Distribution <sup>a</sup>	-0.6	-3.2	-1.0	-0.9	08.05.18
Class 'C' Accumulation <sup>a</sup>	0.0	-2.3	-0.1	+0.3	21.12.16
Class 'C' Distribution <sup>a</sup>	0.0	-2.3	-0.1	+0.3	21.12.16
Class 'CI' Accumulation <sup>a</sup>	0.0	-2.3	-0.1	+0.4	21.12.16
<b>Sterling</b>					
Class 'C-H' Accumulation <sup>a</sup>	+0.8	-1.1	+0.9	+1.3	21.12.16
Class 'C-H' Distribution <sup>a</sup>	+0.8	-1.2	+0.9	+1.3	21.12.16
<b>Swiss franc</b>					
Class 'A-H' Accumulation <sup>a</sup>	-1.6	-3.7	-1.3	-0.8	21.12.16
Class 'A-H' Distribution <sup>a</sup>	-1.6	-3.7	-1.3	-0.8	21.12.16
Class 'C-H' Accumulation <sup>a</sup>	-1.3	-3.2	-0.7	-0.2	21.12.16
Class 'C-H' Distribution <sup>a</sup>	-1.2	-3.2	-0.7	-0.2	21.12.16
<b>US dollar</b>					
Class 'A-H' Accumulation <sup>a</sup>	+0.7	-1.2	+1.1	+1.8	21.12.16
Class 'A-H' Distribution <sup>a</sup>	+0.7	-1.2	+1.1	+1.8	21.12.16
Class 'C-H' Accumulation <sup>a</sup>	+1.1	-0.6	+1.7	+2.4	21.12.16
Class 'C-H' Distribution <sup>a</sup>	+1.0	-0.6	+1.8	+2.4	21.12.16

<sup>a</sup> Returns are up to 3 November 2023 the close date of the share class.

# Financial highlights

## Shares in issue and Net Asset Values (NAV)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024 and Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024.

### Shares in issue and Net Asset Values

	Shares outstanding as at 31.03.24	as at 03.11.23 <sup>a</sup>	NAV per share as at 31.03.23	as at 31.03.22
<b>Euro</b>		€	€	€
Class 'A' Accumulation	n/a	9.8075	9.8461	10.2364
Class 'A' Distribution	n/a	8.5349	8.7165	9.1896
Class 'B' Accumulation	n/a	9.5243	9.5784	9.9880
Class 'B' Distribution	n/a	8.5206	8.7185	9.2191
Class 'C' Accumulation	n/a	10.2213	10.2251	10.5666
Class 'C' Distribution	n/a	8.8969	9.0530	9.4869
Class 'CI' Accumulation	n/a	10.2533	10.2529	10.5914
<b>Sterling</b>		£	£	£
Class 'C-H' Accumulation	n/a	10.9353	10.8487	11.0320
Class 'C-H' Distribution	n/a	9.5138	9.6046	9.9037
<b>Swiss franc</b>		CHF	CHF	CHF
Class 'A-H' Accumulation	n/a	9.4487	9.6047	10.0585
Class 'A-H' Distribution	n/a	8.2231	8.4976	9.0294
Class 'C-H' Accumulation	n/a	9.8519	9.9770	10.3890
Class 'C-H' Distribution	n/a	8.5743	8.8272	9.3243
<b>US dollar</b>		US\$	US\$	US\$
Class 'A-H' Accumulation	n/a	11.3087	11.2304	11.3815
Class 'A-H' Distribution	n/a	9.8326	9.9329	10.2071
Class 'C-H' Accumulation	n/a	11.7770	11.6511	11.7369
Class 'C-H' Distribution	n/a	10.2630	10.3311	10.5427

<sup>a</sup> Liquidation date of the sub-fund.

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	n/a	22,340	27,839
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>n/a</b>	<b>22,340</b>	<b>27,839</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Asia ex Japan equities delivered a positive return during the period under review. However, there were notable differences in the performances between countries. India and Taiwan outperformed, while China and Hong Kong ended the period in negative territory. As a result, the MSCI AC Asia Pacific ex Japan Index lagged global indices in US dollar terms.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of the MSCI AC Asia Pacific ex Japan Net Return Index across some of its share classes in the period under review. The index returned 5.91% in euro terms and 5.28% in US dollar terms over the same period.

Relative outperformance was mainly driven by favourable stock selection, notably our choices in South Korea. Key contributors to relative performance included subsidiaries of South Korean conglomerates Hyundai and Samsung. Hyundai Motor, Samsung Life, Samsung Fire & Marine Insurance, and Samsung Electronics were among the top 10 contributors during the period under review. Other notable contributors were China-based Yangzijiang Shipbuilding and KB Financial Group, a leading financial services holding company based in Seoul.

The South Korean government's 'Corporate Value-Up Programme' offers incentives for listed companies to conduct corporate reforms, potentially boosting shareholder returns, for example via higher dividend payouts. Our holdings in these 'Value-Up' names witnessed double-digit returns in their share prices, in US dollar terms. Hyundai Motor's share price also benefited from plans to list its Indian business on the dynamic Indian equity markets.

Elsewhere, Yangzijiang, China's largest privately owned shipyard, has received accreditation to manufacture large-scale LNG (liquid natural gas) ships and is benefiting from a strong pipeline of new large-scale container orders. We believe better-priced orders,

along with falling steel prices and a weaker Chinese yuan bode well for its margins.

The leading detractors were mainly from China, notably Hainan Meilan International Airport, online retailer JD.com, online real estate agency KE Holdings, and Pacific Basin Shipping. Indian financial services company HDFC Bank completed the top five list.

Shares in domestically-focused Chinese companies fell on fears about the strength of consumer spending in the post-COVID-19 environment and problems in the property sector, while transportation companies face the headwind of slowing global growth.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We employ a bottom-up stock picking approach to make longer-term investments, although returns may be enhanced by opportunistic positioning given the risk/reward profile of the stock.

Our aim is for stock selection to be the main driver of performance, rather than any particular theme or investment style.

Early in the review period, we initiated a number of new positions including Mineral Resources, Infosys and China Tower. In addition to iron-ore, Australian mining company Mineral Resources also owns and operates lithium mines in Western Australia. Currently, there is an increasing demand for electric vehicles (EV) and energy storage systems using lithium-ion batteries. We believe there might be a bottleneck in the EV industry for lithium and therefore, the company offers the prospect of high returns on invested capital over the medium term. We used weakness in the share price to buy into the company.

We also initiated holdings in Indian banks, Bandhan Bank and HDFC Bank (our fifth-largest holding), WH Group, the world's largest pork producer, clothing manufacturer Crystal International and BYD, a manufacturer of electric and hybrid vehicles. The

# Investment review

company is currently leading in EV battery technology. Other names included LG Chemical and Venture Corporation.

We exited a number of positions, notably in China Construction Bank, Tech Mahindra, Indian plastic company Supreme Industries, electronics company VTech and Brambles. We exited Australian logistic business Brambles after some good performance.

## Outlook

Despite considerable intra-quarter volatility, Asian markets ended the first quarter of 2024 modestly higher. Arguably, the greatest source of political uncertainty for the region in 2024 comes from the US Presidential election. A change of president in the Oval Office could make Asian exporters vulnerable to new or higher tariffs on their operations. That said, the region has become more resilient since Donald Trump's 2016 victory – regional trade practices and operations have evolved and companies have been diversifying activities away from China to mitigate risk. Indeed, the exporters we own in the portfolio have been carefully picked so that they are less vulnerable to new or higher tariffs on their operations.

## David Perrett

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>60,917</b>	<b>98.92</b>
<b>United States</b>						
Nexteer Automotive Group	820,000	HK\$			<b>386</b>	<b>0.63</b>
<b>Australia</b>					<b>8,249</b>	<b>13.40</b>
Amcor	141,149	AU\$			1,323	2.15
Australia & New Zealand Banking Group	58,535	AU\$			1,115	1.81
BHP Group	49,088	AU\$			1,411	2.29
BlueScope Steel	38,128	AU\$			590	0.96
CSL	1,786	AU\$			334	0.54
FBR	9,764,850	AU\$			149	0.24
Mesoblast (Warrant)	27,911	AU\$	20.03.2028		0	0.00
Mineral Resources	16,561	AU\$			762	1.24
National Australia Bank	50,639	AU\$			1,138	1.85
Stockland	157,606	AU\$			497	0.81
Woodside Energy Group	46,975	AU\$			930	1.51
<b>China</b>					<b>15,526</b>	<b>25.21</b>
Alibaba Group Holding	118,308	HK\$			1,062	1.73
Autohome ADR	20,825	US\$			552	0.90
Baidu 'A'	26,350	HK\$			346	0.56
BYD 'A'	22,800	CNY			657	1.07
CGN Power 'H'	1,598,000	HK\$			475	0.77
China Merchants Bank 'H'	184,500	HK\$			729	1.18
China Tower 'H'	8,360,000	HK\$			968	1.57
GF Securities 'H'	502,600	HK\$			519	0.84
H World Group ADR	24,359	US\$			941	1.53
Hainan Meilan Internationa 'H'	689,000	HK\$			622	1.01
Huatai Securities 'H'	467,800	HK\$			535	0.87
JD.com 'A'	87,176	HK\$			1,200	1.95
Jiangsu Zhongtian Technology	429,900	CNY			835	1.36
KE Holdings	67,522	US\$			932	1.51
Meituan 'B'	25,580	HK\$			316	0.51
MINISO Group Holding	2,819	US\$			57	0.09
MINISO Group Holding	54,440	HK\$			280	0.46

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>China (continued)</b>						
Pinduoduo ADR	2,127	US\$			252	0.41
Sinopec Engineering Group 'H'	1,306,000	HK\$			753	1.22
Tencent Holdings	48,200	HK\$			1,871	3.04
Weichai Power 'H'	312,000	HK\$			593	0.96
Yangzijiang Shipbuilding Holdings	727,500	SG\$			1,031	1.67
<b>Hong Kong</b>					<b>9,957</b>	<b>16.17</b>
AIA Group	198,200	HK\$			1,330	2.16
BOC Hong Kong Holdings	321,000	HK\$			858	1.39
Brilliance China Automotive Holdings	186,000	HK\$			128	0.21
CK Hutchison Holdings	130,500	HK\$			631	1.03
CK Infrastructure Holdings	125,500	HK\$			734	1.19
COSCO SHIPPING Ports	1,171,285	HK\$			640	1.04
Crystal International Group	1,998,000	HK\$			818	1.33
Hutchmed China	190,470	HK\$			651	1.06
New World Development	317,000	HK\$			335	0.54
Pacific Basin Shipping	4,300,000	HK\$			1,246	2.02
Sinopec Kantons Holdings	1,740,000	HK\$			804	1.31
Sun Hung Kai Properties	64,000	HK\$			617	1.00
Techtronic Industries	39,000	HK\$			529	0.86
WH Group	962,000	HK\$			636	1.03
<b>Indonesia</b>					<b>1,423</b>	<b>2.31</b>
Bank Mandiri	1,939,100	IDR			885	1.44
Bank Rakyat Indonesia	1,407,400	IDR			538	0.87
<b>India</b>					<b>4,940</b>	<b>8.02</b>
Bandhan Bank	178,412	INR			385	0.62
Cartrade Tech	84,571	INR			649	1.05
HDFC Bank	91,357	INR			1,584	2.57
ICICI Bank ADR	31,592	US\$			831	1.35
Infosys	29,409	INR			527	0.86
Juniper Hotels	27,401	INR			171	0.28
Reliance Industries	22,261	INR			793	1.29

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Singapore</b>					<b>3,468</b>	<b>5.63</b>
DBS Group Holdings	73,609	SG\$			1,965	3.19
NetLink NBN Trust	1,592,800	SG\$			1,011	1.64
Venture Corp	46,600	SG\$			492	0.80
<b>South Korea</b>					<b>8,950</b>	<b>14.53</b>
Hyundai Motor Pref.	10,270	KRW			1,209	1.96
KB Financial Group	20,865	KRW			1,090	1.77
LG Chem	1,253	KRW			410	0.66
Samsung Electro-Mechanics	4,288	KRW			478	0.78
Samsung Electronics	53,696	KRW			3,225	5.24
Samsung Fire & Marine Insurance	3,520	KRW			809	1.31
Samsung Life Insurance	12,488	KRW			885	1.44
SK Hynix	6,377	KRW			844	1.37
<b>Taiwan</b>					<b>6,617</b>	<b>10.75</b>
Delta Electronics	63,000	TW\$			675	1.10
MediaTek	14,000	TW\$			508	0.83
Taiwan Semiconductor Manufacturing	226,000	TW\$			5,434	8.82
<b>Thailand</b>					<b>1,401</b>	<b>2.27</b>
Bangkok Bank	169,400	THB			647	1.05
Kasikornbank	221,500	THB			754	1.22
<b>Cayman Islands</b>						
Vertex Technology Acquisition (Warrant)	30,000	US\$	07.12.2028		0	0.00
<b>Currency</b>					<b>1</b>	<b>0.00</b>
<b>Forward currency contracts</b>						
Bought for US\$ 1,827,635.91, Sold for HK\$ 14,200,000.00			03.02.2025	1,815	1	0.00
<b>Portfolio of investments</b>					<b>60,918</b>	<b>98.92</b>
<b>Total portfolio</b>					<b>60,918</b>	<b>98.92</b>
Net other assets/(liabilities)					664	1.08
<b>Net assets</b>					<b>61,582</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	60,917	98.92
Unrealised gains on forward currency contracts	1	0.00
<b>Total Investment assets</b>	<b>60,918</b>	<b>98.92</b>
<b>Total portfolio</b>	<b>60,918</b>	<b>98.92</b>
<b>Net other assets/(liabilities)</b>	<b>664</b>	<b>1.08</b>
<b>Net assets</b>	<b>61,582</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company, London Branch	1

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+5.7	+2.2	+4.7	+7.7	28.11.01	26.10.18
Class 'C' Accumulation	+6.5	+3.0	+5.5	+8.4	28.11.01	26.10.18
Class 'CI' Accumulation	+6.6	+3.0	+5.5	+8.4	28.11.01	06.11.18
<b>US dollar</b>						
Class 'A' Accumulation	+4.9	-0.6	+3.8	+8.0	19.12.08	26.10.18
Class 'C' Accumulation	+6.4	+0.4	+4.8	+8.9	19.12.08	26.10.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Asian Fund, which includes UK taxes but excludes entry and exit charges. The M&G Asian Fund is a UK authorised sub-fund which launched on 14 September 1973 and its non-Sterling share classes merged into M&G (Lux) Asian Fund on 26 October 2018.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	647,198.317	52.2532	49.4187	50.0194	1.75
Class 'C' Accumulation	70,578.722	61.0642	57.3210	57.5826	1.00
Class 'CI' Accumulation	1,197,835.588	14.3631	13.4779	13.5345	0.96
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	58,224.304	32.5937	31.0716	32.1001	1.75
Class 'C' Accumulation	294.559	36.7944	34.5786	35.4456	1.01

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	61,582	56,462	60,718
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>61,582</b>	<b>56,462</b>	<b>60,718</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equity markets generally performed strongly in the period under review. This was due to a combination of factors, including economic growth, signs of easing inflation and hopes of impending interest rate cuts.

Fears that interest rates would remain higher for longer in the autumn and ongoing geopolitical issues all triggered dips in market performance during the course of the period. However, share prices jumped in December after the Fed indicated that rate cuts were likely in 2024.

The tech sector played a crucial role in buoying equity markets. In 2023, the 'Magnificent Seven' mega cap tech stocks delivered exponential returns, largely due to excitement about AI. Some of the big tech names continued to perform well into the first quarter of 2024: NVIDIA's shares soared in February after the company released an exceptional earnings report, further stoking investor enthusiasm about artificial intelligence (AI).

Against this backdrop, the sub-fund delivered a positive return, but underperformed its benchmark, the MSCI World Net Return Index, which returned 25.11% (in US dollars) and 25.86% (in euros) over the period. The sub-fund's above-benchmark position in healthcare and lack of exposure to technology proved detrimental to relative performance. Stock picking in healthcare also dented relative returns. In contrast, stock picking in materials, consumer staples and industrials boosted relative performance.

Key detractors from relative performance included gene-sequencing company Illumina, laboratory operator Quest Diagnostics and medical equipment manufacturer Thermo Fisher. In the period under review, Illumina continued to be plagued by issues connected to its acquisition of cancer-screening start-up Grail.

The top contributors to relative performance were Novo Nordisk and Ecolab. Novo Nordisk has become one of Europe's most valuable companies following

exponential demand for its weight-loss drug, Wegovy and diabetes medication, Ozempic.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the course of the period, the sub-fund opened a position in pharmaceutical and laboratory equipment manufacturer Sartorius Stedim. In our view, Sartorius Stedim is one of the highest-quality business models in the healthcare sector.

We closed our position in Marlowe during the period. Marlowe is a roll-up of business-to-business safety, risk and compliance services. Changes in the debt capital markets led us to believe the roll-up model would be increasingly tested.

### ESG engagements

We met Danish pharmaceutical company ALK-Abelló to ensure it was on track to have its near-term climate goals validated by the Science Based Targets initiative (SBTi). We suggested that the business disclose its strategy for achieving these targets and that variable remuneration be tied into milestones. The company confirmed that it was at the last stage of the finalisation process for its 2030 target; this will then need approval from the board before being submitted to the SBTi. The company is seeking to simplify its non-financial remuneration KPIs; in doing so, it will consider embedding climate targets into this KPI framework.

We liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI).

Last year, we met Oxford Nanopore to verify whether it had effective policies and procedures in place to avoid misuse of its equipment, particularly in China and Tibet. In early 2024, we followed up on this meeting. We asked the company to release a public statement about where it will not sell its products and also suggested

# Investment review

that the business provide further training to its operations staff to clearly explain why sales restrictions are in place. We believe this would lead to better enforcement.

## Outlook

For the first year since the pandemic, COVID-19-related revenues will be negligible for the healthcare industry in 2024. However, the impact of the pandemic continues to unwind in a few ways. We expect the inventory destocking cycle in the life science and tools sector to conclude in the coming quarters. The biotech funding landscape is gaining momentum after some of the toughest conditions in decades. Meanwhile, healthcare systems continue to work through record patient backlogs.

As exemplified by our investment in Sartorius Stedim, we try to take advantage of cyclical or short-term opportunities where a business becomes available at a price below our estimate of its intrinsic value. We continue to believe in the long-term outlook for winners such as Novo Nordisk, but also prudently trim holdings as valuations bake in more future success. We are comfortable with the concentrated nature of the portfolio and remain confident in the high quality of the companies in which we invest.

## Jasveet Brar

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>13,757</b>	<b>97.83</b>
<b>Chemicals</b>					<b>856</b>	<b>6.09</b>
DSM-Firmenich	2,475	€			280	1.99
Ecolab	2,486	US\$			576	4.10
<b>Professional services</b>						
Intertek Group	8,141	£			<b>511</b>	<b>3.63</b>
<b>Auto components</b>						
Autoliv	5,095	US\$			<b>622</b>	<b>4.42</b>
<b>Household durables</b>						
MSA Safety	1,834	US\$			<b>354</b>	<b>2.52</b>
<b>Leisure products</b>						
Shimano	2,800	¥			<b>418</b>	<b>2.97</b>
<b>Hotels, restaurants &amp; leisure</b>						
Gym Group	82,757	£			<b>120</b>	<b>0.85</b>
<b>Household products</b>						
Colgate-Palmolive	6,833	US\$			<b>615</b>	<b>4.37</b>
<b>Personal products</b>						
Haleon	89,395	£			<b>374</b>	<b>2.66</b>
<b>Health care equipment &amp; supplies</b>					<b>2,083</b>	<b>14.81</b>
Alcon	6,289	CHF			522	3.71
Becton Dickinson	2,490	US\$			598	4.25
DiaSorin	2,822	€			271	1.93
Edwards Lifesciences	3,797	US\$			361	2.57
Masimo	1,324	US\$			191	1.36
Xvivo Perfusion	5,441	SEK			140	0.99
<b>Health care providers &amp; services</b>					<b>1,464</b>	<b>10.41</b>
Fresenius Medical Care	6,213	€			240	1.71
Quest Diagnostics	4,387	US\$			574	4.08
UnitedHealth Group	1,318	US\$			650	4.62
<b>Health care technology</b>					<b>533</b>	<b>3.79</b>
Teladoc Health	1,979	US\$			30	0.21
Veeva Systems 'A'	2,153	US\$			503	3.58

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Biotechnology</b>					<b>404</b>	<b>2.87</b>
Grifols 'B'	35,504	€			231	1.64
PureTech Health	60,725	£			173	1.23
<b>Pharmaceuticals</b>					<b>3,107</b>	<b>22.10</b>
ALK-Abello	18,843	DKK			337	2.40
AstraZeneca	4,737	£			640	4.55
GSK	26,683	£			575	4.09
Novo Nordisk 'B'	10,030	DKK			1,282	9.12
Zoetis	1,623	US\$			273	1.94
<b>Life sciences tools &amp; services</b>					<b>1,791</b>	<b>12.74</b>
Agilent Technologies	2,804	US\$			413	2.94
Illumina	1,324	US\$			183	1.30
Oxford Nanopore Technologies	38,402	£			60	0.43
Sartorius Stedim Biotech	1,246	€			352	2.50
Thermo Fisher Scientific	1,356	US\$			783	5.57
<b>Insurance</b>						
AMERISAFE	8,833	US\$			<b>438</b>	<b>3.12</b>
<b>IT services</b>						
Alibaba Health Information Technology	164,000	HK\$			<b>67</b>	<b>0.48</b>
<b>Portfolio of investments</b>					<b>13,757</b>	<b>97.83</b>
<b>Total portfolio</b>					<b>13,757</b>	<b>97.83</b>
Net other assets/(liabilities)					305	2.17
<b>Net assets</b>					<b>14,062</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					13,757	97.83
<b>Total Investment assets</b>					<b>13,757</b>	<b>97.83</b>
<b>Total portfolio</b>					<b>13,757</b>	<b>97.83</b>
<b>Net other assets/(liabilities)</b>					<b>305</b>	<b>2.17</b>
<b>Net assets</b>					<b>14,062</b>	<b>100.00</b>

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The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+10.5	n/a	n/a	+9.4	02.03.23
Class 'A' Distribution	+10.5	n/a	n/a	+9.4	02.03.23
Class 'C' Accumulation	+11.6	n/a	n/a	+10.5	02.03.23
Class 'C' Distribution	+11.6	n/a	n/a	+10.5	02.03.23
Class 'CI' Accumulation	+11.7	n/a	n/a	+10.5	02.03.23
Class 'LI' Accumulation	+12.2	n/a	n/a	+11.0	02.03.23
<b>Sterling</b>					
Class 'C' Accumulation	+8.7	n/a	n/a	+6.8	02.03.23
Class 'CI' Accumulation	+8.7	n/a	n/a	+6.9	02.03.23
Class 'LI' Accumulation	+9.2	n/a	n/a	+7.3	02.03.23
<b>US dollar</b>					
Class 'A' Accumulation	+9.7	n/a	n/a	+10.9	02.03.23
Class 'C' Accumulation	+10.8	n/a	n/a	+12.0	02.03.23
Class 'CI' Accumulation	+10.8	n/a	n/a	+12.1	02.03.23
Class 'LI' Accumulation	+11.3	n/a	n/a	+12.6	02.03.23

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24      as at 31.03.23		TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	
Class 'A' Accumulation	1,000.000	11.0199	9.9695	1.96
Class 'A' Distribution	1,001.000	11.0051	9.9695	1.95
Class 'C' Accumulation	1,002.000	11.1379	9.9774	0.96
Class 'C' Distribution	1,004.000	11.1229	9.9774	0.96
Class 'CI' Accumulation	4,600.000	11.1439	9.9782	0.92
Class 'LI' Accumulation	4,601.000	11.1977	9.9817	0.47
<b>Sterling</b>		£	£	
Class 'C' Accumulation	1,000.000	10.7396	9.8819	0.95
Class 'CI' Accumulation	4,600.000	10.7444	9.8828	0.92
Class 'LI' Accumulation	4,601.000	10.7963	9.8864	0.47
<b>US dollar</b>		US\$	US\$	
Class 'A' Accumulation	1,000.000	11.1859	10.1992	1.94
Class 'C' Accumulation	1,001.000	11.3061	10.2073	0.95
Class 'CI' Accumulation	4,600.000	11.3107	10.2083	0.92
Class 'LI' Accumulation	1,204,601.000	11.3653	10.2119	0.47

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000
Net assets	14,062	12,612
Swing pricing adjustment (see note 10)	n/a	25
<b>Swing net assets</b>	<b>14,062</b>	<b>12,637</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equity markets generally performed strongly in the period under review. This was due to a combination of factors, including economic growth, signs of easing inflation and hopes of impending interest rate cuts.

Fears that interest rates would remain higher for longer in the autumn and ongoing geopolitical issues all triggered dips in market performance during the course of the period. However, share prices jumped in December after the Fed indicated that rate cuts were likely in 2024.

The tech sector played a crucial role in buoying equity markets. In 2023, the 'Magnificent Seven' mega cap tech stocks delivered exponential returns, largely due to excitement about artificial intelligence (AI). Some of the big tech names continued to perform well into the first quarter of 2024: NVIDIA's shares soared in February after the company released an exceptional earnings report, further stoking investor enthusiasm about AI.

Against this backdrop, the sub-fund delivered a positive return but lagged its benchmark the MSCI World Net Return Index which returned 25.86% (in euros), 22.45% (in sterling) and 25.11% (in US dollars). Stock selection in technology, industrials and utilities proved particularly detrimental to relative returns. The sub-fund's above-benchmark position in utilities and materials also had a negative impact on relative performance. In contrast, stock picking in materials boosted relative returns, as did the sub-fund's lack of exposure to healthcare.

Key detractors from relative performance included SolarEdge, Ceres Power and Enphase Energy. The poor share price performance of both SolarEdge and Enphase Energy reflects a beleaguered solar market. High interest rates (dampening demand for solar projects) and reduced incentives in California have dented the solar industry.

The top contributors to relative performance were Trex and Horiba. The former manufactures wood-alternative

outdoor living products while the latter makes precision instruments for analysis and measurement.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We made a number of changes to the portfolio during the period, opening positions in Elia Group, Kurita Water, Trimble, Intertek, American Water Works, Synopsys and Verbund. Kurita provides water treatment systems to process industries. It has laid out four quantifiable impact goals that it aims to achieve by the end of 2028. These pertain to water wastage, water intensity, customer CO2 emissions and the reach of its business. As a provider of assurance, testing, inspection and certification (ATIC) services, Intertek helps to certify processes in areas such as biodegradability of packaging, biofuel testing, wastewater management, air quality and emissions. It also provides branded Sustainability Certification. American Water Works has a high-quality, growing asset base which is helping to improve the residential water system in the US. Meanwhile, Synopsys is a leading provider of design tools for semiconductor chips, including tools to optimise the energy efficiency of chips.

We sold our positions in Brookfield Renewables, Rockwool, Atlantica Sustainable Infrastructure, Weyerhaeuser, UniFirst and Boralex. Brookfield announced the acquisition of Westinghouse, a supplier of tech, services and products to the nuclear industry. We viewed Westinghouse as in breach of the sub-fund's exclusion on companies involved in nuclear-based power generation and therefore exited our position in Brookfield. Recent results from UniFirst have raised questions about its business model, leading us to look for opportunities elsewhere in the clean technology space.

### Engagement activities

During the course of the period, we engaged with a number of companies on environmental, social and governance issues. We met German industrial gases company Linde to encourage it to publish a Scope

# Investment review

3 inventory, particularly in relation to use of its products. We also urged the company to publish Scope 3 reduction targets. We further discussed calculation of its Scope 4 emissions and suggested that it disclose how its capex aligns with its carbon reduction strategy. The company has now published a Scope 3 inventory, with targets to follow. On the governance side, we recommended that Linde increase female representation at board level.

We also encouraged US-listed online marketplace eBay to more explicitly link remuneration KPIs to sustainability targets. In response to our suggestion that it set a net zero target, the company confirmed that it would be doing so and that it planned to seek SBTi validation for this.

We discussed two key issues with Johnson Controls. The first pertained to a cyberattack carried out on the company last year. In light of this, we wanted to ensure that the business had implemented the requisite systems, controls and procedures to limit damage in case of any future attack. Secondly, we wished to verify that the company was no longer exposed to perfluoroalkyl and polyfluoroalkyl substances (PFAS), often termed 'forever chemicals'.

The company asserted that the cyberattack prompted it to review and strengthen its risk mitigation strategy. It has also hired a new chief information officer and chief technology officer, further bolstering cybersecurity at the business.

Unfortunately, Johnson Controls is currently the subject of a class action connected to PFAS contamination. The action relates to a product whose chemical composition had been mandated by the US government. The company confirmed that is now selling a compliant version of the product and that nothing else that it sells contains PFAS.

## Outlook

Clean technology shares have traced the shape of the theoretical 'Gartner hype cycle' fairly closely over the past few years, with forward indicators now suggesting a more stable and lucrative period ahead. The years 2020-21 marked the 'peak of inflated expectations' with

equity markets expecting aggressive growth rates to last in perpetuity, supported by blockbuster policy announcements (such as the US Inflation Reduction Act) and a low global interest rate regime.

More recently, 2022-23 has corresponded to the 'trough of disillusionment': higher interest rates impacted both equity valuations and end-demand for consumer products such as solar panels, leading to widespread destocking and questions about the pace of the energy transition as a whole. We see growing evidence that this period of uncertainty is coming to an end and that we are about to embark on a multi-year upcycle in many clean technology end-markets.

Firstly, the headline policy measures are now solidifying. Secondly, destocking is coming to an end and lead indicators in areas such as US residential solar and European EV charging show that demand is clearly improving. Finally, consumer-financing costs are likely to ease as central bank rate cuts come through.

## Michael Rae

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>11,163</b>	<b>95.97</b>
<b>Chemicals</b>						
Linde	1,459	US\$			<b>680</b>	<b>5.85</b>
<b>Containers &amp; packaging</b>					<b>513</b>	<b>4.41</b>
Ball	4,437	US\$			299	2.57
DS Smith	42,925	£			214	1.84
<b>Building products</b>					<b>600</b>	<b>5.16</b>
Johnson Controls International	3,754	US\$			244	2.10
Trex	3,595	US\$			356	3.06
<b>Electrical equipment</b>					<b>1,201</b>	<b>10.32</b>
Alfen Beheer	5,427	€			292	2.51
Ceres Power Holdings	76,532	£			138	1.19
Schneider Electric	2,029	€			459	3.94
Vestas Wind Systems	11,217	DKK			312	2.68
<b>Machinery</b>					<b>437</b>	<b>3.76</b>
Kurita Water Industries	8,100	¥			335	2.88
Spirax-Sarco Engineering	809	£			102	0.88
<b>Commercial services &amp; supplies</b>					<b>1,784</b>	<b>15.34</b>
Befesa	11,670	€			404	3.47
Brambles	22,854	AU\$			240	2.06
Republic Services	3,739	US\$			716	6.16
TOMRA Systems	27,171	NOK			424	3.65
<b>Professional services</b>						
Intertek Group	5,657	£			<b>355</b>	<b>3.05</b>
<b>Internet &amp; direct marketing retail</b>						
eBay	4,631	US\$			<b>240</b>	<b>2.06</b>
<b>Food products</b>						
Darling Ingredients	4,942	US\$			<b>228</b>	<b>1.96</b>
<b>Software</b>					<b>1,168</b>	<b>10.04</b>
Ansys	1,424	US\$			495	4.26
Autodesk	1,283	US\$			334	2.87
Synopsys	591	US\$			339	2.91

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Technology hardware, storage &amp; peripherals</b>						
Enphase Energy	3,571	US\$			<b>427</b>	<b>3.67</b>
<b>Electronic equipment, instruments &amp; components</b>						
Horiba	3,400	¥			351	3.02
IPG Photonics	1,052	US\$			95	0.82
Trimble	5,890	US\$			375	3.22
<b>Semiconductors &amp; semiconductor equipment</b>						
Infineon Technologies	8,013	€			272	2.34
ON Semiconductor	7,127	US\$			537	4.62
SolarEdge Technologies	1,172	US\$			81	0.69
<b>Electric utilities</b>						
Elia Group	3,206	€			346	2.97
Ørsted	4,476	DKK			249	2.14
Verbund	2,255	€			166	1.43
<b>Water utilities</b>						
American Water Works	3,125	US\$			<b>379</b>	<b>3.26</b>
<b>Independent power and renewable electricity producers</b>						
EDP Renovaveis	11,738	€			<b>160</b>	<b>1.38</b>
<b>Real estate investment trusts</b>						
Equinix	637	US\$			<b>519</b>	<b>4.46</b>
<b>Portfolio of investments</b>						
					<b>11,163</b>	<b>95.97</b>
<b>Total portfolio</b>						
					<b>11,163</b>	<b>95.97</b>
Net other assets/(liabilities)					469	4.03
<b>Net assets</b>					<b>11,632</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	11,163	95.97
<b>Total Investment assets</b>	<b>11,163</b>	<b>95.97</b>
<b>Total portfolio</b>	<b>11,163</b>	<b>95.97</b>
<b>Net other assets/(liabilities)</b>	<b>469</b>	<b>4.03</b>
<b>Net assets</b>	<b>11,632</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+1.9	-0.6	n/a	+2.9	12.11.20
Class 'A' Distribution	+1.9	-0.6	n/a	+2.9	12.11.20
Class 'C' Accumulation	+2.9	+0.4	n/a	+4.0	12.11.20
Class 'C' Distribution	+2.9	+0.4	n/a	+4.0	12.11.20
Class 'CI' Accumulation	+2.9	+0.4	n/a	+4.0	12.11.20
Class 'L' Accumulation	+3.1	+0.6	n/a	+4.2	12.11.20
<b>Sterling</b>					
Class 'C' Accumulation	+0.1	+0.5	n/a	+2.5	12.11.20
Class 'CI' Accumulation	+0.2	+0.5	n/a	+2.5	12.11.20
Class 'L' Accumulation	+0.4	+0.7	n/a	+2.7	12.11.20
<b>US dollar</b>					
Class 'A' Accumulation	+1.1	-3.4	n/a	+0.2	12.11.20
Class 'C' Accumulation	+2.1	-2.4	n/a	+1.2	12.11.20
Class 'CI' Accumulation	+2.1	-2.3	n/a	+1.3	12.11.20
Class 'L' Accumulation	+2.3	-2.1	n/a	+1.5	12.11.20
Class 'ZI' Accumulation	+2.9	-1.6	n/a	+2.0	12.11.20



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	59,311.635	11.0259	10.8244	11.7479	2.06
Class 'A' Distribution	5,853.686	10.6912	10.6556	11.7111	2.06
Class 'C' Accumulation	1,002.000	11.4073	11.0878	11.9137	1.06
Class 'C' Distribution	2,749.000	11.0604	10.9138	11.8742	1.06
Class 'CI' Accumulation	1,004.000	11.4234	11.0990	11.9208	1.02
Class 'L' Accumulation	1,005.000	11.5038	11.1543	11.9536	0.82
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	1,000.000	10.8658	10.8502	11.2195	1.06
Class 'CI' Accumulation	1,001.000	10.8810	10.8611	11.2265	1.02
Class 'L' Accumulation	1,002.000	10.9579	10.9152	11.2585	0.81
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	1,000.001	10.0703	9.9638	11.0371	2.04
Class 'C' Accumulation	1,001.000	10.4172	10.2054	11.1916	1.05
Class 'CI' Accumulation	1,002.000	10.4308	10.2148	11.1981	1.01
Class 'L' Accumulation	1,003.000	10.5048	10.2656	11.2300	0.80
Class 'ZI' Accumulation	1,001,004.000	10.6957	10.3979	11.3141	0.27

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	11,632	11,475	12,917
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>11,632</b>	<b>11,475</b>	<b>12,917</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equity markets generally performed strongly during the period under review. This was due to a combination of factors, including economic growth, signs of easing inflation and hopes of impending interest rate cuts.

Fears that interest rates would remain higher for longer in the autumn of 2023 and ongoing geopolitical issues all triggered dips in market performance during the course of the period. However, share prices jumped in December after the Fed indicated that rate cuts were likely in 2024.

The tech sector played a crucial role in buoying equity markets. In 2023, the 'Magnificent Seven' mega cap tech stocks delivered exponential returns, largely due to excitement about AI. Some of the big tech names continued to perform well into the first quarter of 2024: NVIDIA's shares soared in February after the company released an exceptional earnings report, further stoking investor enthusiasm about artificial intelligence (AI).

Against this backdrop, the M&G (Lux) Diversity and Inclusion Fund delivered a positive return, but lagged its benchmark, the MSCI ACWI Net Return Index, which returned 23.95% (in euros) and 23.22% (in US dollars). Stock selection in technology, consumer discretionary and healthcare proved particularly detrimental to relative returns. The sub-fund's below-benchmark position in technology also dented relative performance. In contrast, stock picking in consumer staples and industrials boosted relative returns, as did the sub-fund's lack of exposure to materials.

Key detractors from relative performance were HDFC Bank, Pets at Home and Illumina. Two announcements from the Competition and Markets Authority (CMA) contributed to Pets at Home's poor share price performance over the period. In September, the CMA announced a review of veterinary service fees while in March it initiated a formal investigation into the

veterinary industry. One of the CMA's key concerns is that customers are paying too much for treatment.

The top contributors to relative performance were Bank of Georgia, MSA Safety and Schneider Electric. In February, Bank of Georgia's share price rose after it announced its intention to acquire Armenian bank, Ameriabank.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the period under review, we opened a position in Bank Rakyat Indonesia. Bank Rakyat promotes financial inclusion, primarily by providing microlending services to underserved communities. We also opened positions in technology conglomerate Siemens and German semiconductor manufacturer Infineon.

### ESG engagements

In light of the merger between Indian mortgage provider HDFC and HDFC Bank, we sought to confirm that the newly formed entity would continue to pursue existing climate pledges. We liaised with HDFC Bank, asking for information on a range of issues including the group's climate strategy, its commitment to publishing science-based targets and its lending policies for different sectors. The bank confirmed that the new entity will work towards net zero. Science-based targets will be contemplated once net zero targets have been implemented.

We suggested that Katitas set more ambitious climate goals: we proposed that it set absolute reduction targets and Scope 3 targets (after it has calculated its Scope 3 emissions). We further asked the company to have these targets validated by the Science Based Targets initiative (SBTi). The company confirmed that it is working with an external consultant to work out its Scope 3 emissions and expects to complete the process by 2025.

We met UK retailer WH Smith to ask it to publish milestones in its roadmap for achieving emission reduction targets. We asked it to tie some executive

# Investment review

remuneration into reaching these milestones. We also reiterated our suggestion that its workforce be paid in line with the real living wage. We believe this would act as a retention mechanism.

## Outlook

We continue to invest in high-quality businesses with solid moats. These companies' pricing power, competitive advantages and defensive business models put them in a strong position amid a subdued macroeconomic backdrop and market uncertainty in 2024. Even for portfolios with limited turnover, like ours, market volatility has offered opportunities to initiate new positions in attractive impactful or sustainability companies; this has further enhanced diversification and balance within the diversity and inclusion portfolio.

We remain confident in the quality of the companies in which we invest and continue to be optimistic about their ability to generate long-term value, while also investing in companies that have demonstrable gender and/or ethnic diversity, or which facilitate social equality.

## Thembeke Stemela

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>19,041</b>	<b>96.64</b>
<b>United Kingdom</b>					<b>2,834</b>	<b>14.38</b>
Helios Towers	180,553	£			217	1.10
Pearson	33,715	£			444	2.25
Pets at Home Group	111,944	£			382	1.94
RELX	18,525	£			802	4.07
Unilever	11,994	£			600	3.05
WH Smith	23,491	£			389	1.97
<b>France</b>					<b>1,152</b>	<b>5.85</b>
Legrand	3,465	€			367	1.86
Schneider Electric	3,467	€			785	3.99
<b>Germany</b>					<b>659</b>	<b>3.35</b>
Infineon Technologies	8,448	€			287	1.46
Siemens	1,947	€			372	1.89
<b>Ireland</b>					<b>1,378</b>	<b>6.99</b>
Accenture 'A'	1,724	US\$			585	2.97
AIB Group	157,977	€			793	4.02
<b>United States</b>					<b>8,343</b>	<b>42.34</b>
American Water Works	2,392	US\$			290	1.47
Ansys	2,111	US\$			734	3.73
Booking Holdings	143	US\$			525	2.66
Bright Horizons Family Solutions	5,962	US\$			672	3.41
Cisco Systems Delaware	9,356	US\$			465	2.36
Colgate-Palmolive	6,914	US\$			622	3.16
Etsy	3,020	US\$			205	1.04
Hewlett Packard Enterprise	12,592	US\$			380	1.93
Illumina	1,571	US\$			217	1.10
Microsoft	3,072	US\$			1,295	6.57
MSA Safety	3,759	US\$			727	3.69
Progyny	7,938	US\$			295	1.50
Quest Diagnostics	4,506	US\$			590	2.99
S&P Global	1,260	US\$			532	2.70
Visa 'A'	2,846	US\$			794	4.03

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Canada</b>					<b>903</b>	<b>4.58</b>
Intact Financial	4,148	CA\$			672	3.41
Lululemon Athletica	594	US\$			231	1.17
<b>Japan</b>						
Katitas	13,100	¥			170	0.86
<b>Australia</b>					<b>1,270</b>	<b>6.45</b>
Brambles	57,736	AU\$			605	3.07
Cochlear	3,035	AU\$			665	3.38
<b>Indonesia</b>						
Bank Rakyat Indonesia	980,900	IDR			375	1.90
<b>India</b>						
HDFC Bank ADR	10,492	US\$			586	2.98
<b>Georgia</b>						
Bank of Georgia Group	11,841	£			750	3.81
<b>South Africa</b>						
Bidvest Group	29,615	ZAR			375	1.90
<b>Kenya</b>						
Safaricom	1,856,237	KES			246	1.25
<b>Portfolio of investments</b>					<b>19,041</b>	<b>96.64</b>
<b>Total portfolio</b>					<b>19,041</b>	<b>96.64</b>
Net other assets/(liabilities)					663	3.36
<b>Net assets</b>					<b>19,704</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					19,041	96.64
<b>Total Investment assets</b>					<b>19,041</b>	<b>96.64</b>
<b>Total portfolio</b>					<b>19,041</b>	<b>96.64</b>
<b>Net other assets/(liabilities)</b>					<b>663</b>	<b>3.36</b>
<b>Net assets</b>					<b>19,704</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+14.1	n/a	n/a	+2.0	18.11.21
Class 'A' Distribution	+14.2	n/a	n/a	+2.1	18.11.21
Class 'C' Accumulation	+15.3	n/a	n/a	+3.1	18.11.21
Class 'C' Distribution	+15.3	n/a	n/a	+3.1	18.11.21
Class 'CI' Accumulation	+15.3	n/a	n/a	+3.1	18.11.21
Class 'L' Accumulation	+15.8	n/a	n/a	+3.5	18.11.21
<b>Sterling</b>					
Class 'C' Accumulation	+12.2	n/a	n/a	+3.8	18.11.21
Class 'CI' Accumulation	+12.3	n/a	n/a	+3.8	18.11.21
Class 'L' Accumulation	+12.7	n/a	n/a	+4.3	18.11.21
<b>US dollar</b>					
Class 'A' Accumulation	+13.2	n/a	n/a	-0.1	18.11.21
Class 'C' Accumulation	+14.4	n/a	n/a	+0.9	18.11.21
Class 'CI' Accumulation	+14.4	n/a	n/a	+0.9	18.11.21
Class 'L' Accumulation	+14.9	n/a	n/a	+1.3	18.11.21
Class 'ZI' Accumulation	+15.3	n/a	n/a	+1.7	18.11.21

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	7,979.000	10.4916	9.1914	9.4789	1.98
Class 'A' Distribution	1,001.000	10.2927	9.1543	9.4789	1.97
Class 'C' Accumulation	1,002.000	10.7443	9.3187	9.5136	0.98
Class 'C' Distribution	1,003.000	10.5392	9.2803	9.5135	0.97
Class 'CI' Accumulation	4,600.000	10.7520	9.3230	9.5152	0.95
Class 'L' Accumulation	1,004.000	10.8589	9.3768	9.5292	0.53
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	1,413.560	10.9198	9.7304	9.5602	0.98
Class 'CI' Accumulation	4,600.000	10.9292	9.7353	9.5618	0.95
Class 'L' Accumulation	267,043.000	11.0351	9.7904	9.5759	0.56
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	1,000.000	9.9743	8.8080	9.2699	1.99
Class 'C' Accumulation	1,001.000	10.2128	8.9292	9.3038	0.99
Class 'CI' Accumulation	4,600.000	10.2201	8.9325	9.3056	0.95
Class 'L' Accumulation	156,336.057	10.3196	8.9841	9.3192	0.54
Class 'ZI' Accumulation	1,349,101.000	10.4030	9.0250	9.3311	0.20

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	19,704	12,490	12,844
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>19,704</b>	<b>12,490</b>	<b>12,844</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The M&G (Lux) Dynamic Allocation Fund delivered a positive total return (the combination of capital growth and income) across all its share classes.

The sub-fund is actively managed and has no benchmark. Investors can assess the performance of the sub-fund by its objective to provide a combination of capital growth and income of 5-10% on average per year over any 3-year period.

The 12-month period under review saw strong gains for stockmarkets around the world, particularly in the second half. Investor sentiment was bolstered by the easing of inflationary pressures, optimism about forthcoming rate cuts by central banks and a potential economic 'soft landing'. The technology sector performed very strongly, with companies seen as beneficiaries of the growth in artificial intelligence the standout performers.

Within fixed income, shorter-dated developed market sovereign bonds, generally delivered a small positive total return, but performance of long-dated bonds (particularly in the UK and US) was held back a little, by fears interest rates would stay 'higher for longer'.

Elsewhere, emerging market sovereign bonds (particularly hard currency) and investment grade and high yield corporate bonds recorded stronger gains. In general, these bonds benefited from their higher yields, a tightening of spreads and lower duration versus government bonds.

The sub-fund posted a positive total return (the combination of capital growth and income) in the reporting period. Equities drove the positive performance, led by holdings in Europe and Japan and a basket of bank shares. Shares in miners and a short position in the S&P 500 Index weighed on performance.

Holdings in emerging market sovereign bonds and corporate bonds were also profitable. Within developed market government bonds, UK gilts aided performance

but US Treasuries were a drag on returns. Cash holdings also contributed to returns.

### Investment activities

Early in the review period, we added exposure to 10-year UK government bonds. In our view, price weakness had presented an attractive entry point, enabling us to adjust our duration towards neutral and diversify away from US Treasuries. We also sold an M&G (Lux) Emerging Markets Hard Currency Bond Fund, freeing up capacity to invest in other sub-funds.

In July 2023, we reduced holdings in US bank stocks and increased exposure to long-dated US government bonds. This reversed a trade initiated in March, since when, bank equity had markedly outperformed Treasuries. Later, we further reduced the focus on financials by selling our Japanese banks, again reinvesting the proceeds in long-dated Treasuries. At the same time we also slightly increased short exposure to the US stockmarket as we felt it remained overvalued to other markets.

In October 2023, given the uncertainty in markets at the time, we reduced portfolio risk by decreasing the allocation to equities and increasing bonds. We closed our position in Taiwan, trimmed Germany and increased short exposure to the US. We reinvested the proceeds in long-dated UK government bonds. After a pronounced sell-off, gilts seemed to offer a good yield and potential diversification in the event of negative economic news. Later in the fourth quarter, after the dramatic rally in bond markets, we trimmed our holdings of long-dated US Treasuries, to reduce the US dollar concentration at the long end of our bond position.

In early 2024, we increased the sub-fund's exposure to Chinese equities, by adding to holdings in China H-shares and Hong Kong equities. Very negative investor sentiment had driven valuations to historically attractive levels, which were not necessarily justified by fundamentals in our view.



# Investment review

## Outlook

Central banks seem broadly comfortable with the path of inflation, but don't want to cut while economic growth remains strong. Bond markets now appear to have priced in a significant portion of this and we believe offer attractive real yields and potential diversification, if growth falters.

Equity valuations look demanding in places (most notably the US), but do not seem detached from earnings. We continue to prefer areas with lower valuations and a higher margin of safety. Europe has been a standout performer year-to-date but continues to look attractive on a global basis.

## Craig Moran and Steven Andrew

Co-sub-fund managers

Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

## Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>455,184</b>	<b>22.15</b>
<b>Software &amp; computer services</b>					<b>16,456</b>	<b>0.80</b>
Autohome ADR	50,292	US\$			1,237	0.06
Baidu ADR	12,325	US\$			1,202	0.06
Escrow Alteryx <sup>a</sup>	28,954	US\$			71	0.00
JD.com 'A'	275,282	HK\$			3,515	0.17
Lasertec	1,300	¥			342	0.02
NTT Data	43,200	¥			634	0.03
OneConnect Financial Technology	88,699	US\$			192	0.01
Rakuten Group	118,400	¥			621	0.03
Tencent Holdings	219,000	HK\$			7,884	0.38
TravelSky Technology 'H'	675,000	HK\$			758	0.04
<b>Technology hardware &amp; equipment</b>					<b>10,767</b>	<b>0.52</b>
Advantest	6,100	¥			250	0.01
China Tower 'H'	18,416,000	HK\$			1,977	0.10
Dai Nippon Printing	4,900	¥			139	0.01
FUJIFILM Holdings	23,400	¥			486	0.02
Fujitsu	32,000	¥			475	0.02
Han's Laser Technology Industry Group 'A'	234,080	CNY			558	0.03
Jiangsu Zhongtian Technology	1,039,382	CNY			1,872	0.09
NEC	20,800	¥			1,409	0.07
Renesas Electronics	38,900	¥			642	0.03
Rohm	45,300	¥			668	0.03
Tokyo Electron	6,800	¥			1,639	0.08
Xiaomi 'B'	368,400	HK\$			652	0.03
<b>Telecommunications service providers</b>					<b>18,786</b>	<b>0.91</b>
Alibaba Group Holding	924,152	HK\$			7,692	0.37
KDDI	12,600	¥			345	0.02
Meituan 'B'	264,790	HK\$			3,033	0.15
Nippon Telegraph & Telephone	2,062,300	¥			2,279	0.11
Pinduoduo ADR	30,319	US\$			3,327	0.16
SoftBank	30,300	¥			361	0.02
SoftBank Group	31,800	¥			1,749	0.08

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Health care providers</b>					<b>26,116</b>	<b>1.27</b>
Cigna	23,823	US\$			8,031	0.39
Elevance Health	14,521	US\$			7,001	0.34
Humana	13,951	US\$			4,513	0.22
UnitedHealth Group	14,371	US\$			6,571	0.32
<b>Medical equipment &amp; services</b>					<b>939</b>	<b>0.05</b>
Hoya	1,900	¥			219	0.01
Olympus	40,500	¥			540	0.03
Terumo	10,600	¥			180	0.01
<b>Pharmaceuticals &amp; biotechnology</b>					<b>44,804</b>	<b>2.18</b>
AbbVie	15,543	US\$			2,601	0.13
Amgen	9,917	US\$			2,632	0.13
Astellas Pharma	72,700	¥			725	0.04
BeiGene ADR	2,386	US\$			342	0.02
Biogen	8,593	US\$			1,719	0.08
Bristol-Myers Squibb	114,945	US\$			5,683	0.28
Daiichi Sankyo	27,400	¥			805	0.04
Eli Lilly & Co	11,435	US\$			8,270	0.40
Gilead Sciences	28,047	US\$			1,898	0.09
Hutchmed China	434,360	HK\$			1,377	0.07
Johnson & Johnson	37,107	US\$			5,434	0.26
Merck & Co	53,635	US\$			6,548	0.32
Otsuka Holdings	6,700	¥			258	0.01
PeptiDream	32,400	¥			280	0.01
Pfizer	165,780	US\$			4,271	0.21
Shionogi	5,600	¥			266	0.01
Takeda Pharmaceutical	34,100	¥			879	0.04
Wuxi Biologics Cayman	154,000	HK\$			261	0.01
Zai Lab	28,812	US\$			431	0.02
Zai Lab	81,500	HK\$			124	0.01
<b>Banks</b>					<b>64,554</b>	<b>3.14</b>
Bank of America	379,477	US\$			13,274	0.65

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Banks (continued)</b>						
China Construction Bank 'H'	7,631,000	HK\$			4,273	0.21
China Merchants Bank 'H'	607,500	HK\$			2,225	0.11
Citigroup	234,615	US\$			13,620	0.66
Industrial & Commercial Bank of China 'H'	3,291,000	HK\$			1,538	0.07
Japan Post Bank	27,500	¥			274	0.01
JPMorgan Chase	70,918	US\$			13,126	0.64
Mitsubishi UFJ Financial Group	217,300	¥			2,048	0.10
Ping An Bank 'A'	503,400	CNY			677	0.03
Sumitomo Mitsui Financial Group	9,900	¥			537	0.03
Sumitomo Mitsui Trust Holdings	19,400	¥			388	0.02
Wells Fargo	235,354	US\$			12,574	0.61
<b>Finance &amp; credit services</b>					<b>4,037</b>	<b>0.20</b>
Credit Saison	74,400	¥			1,419	0.07
Far East Horizon	1,012,000	HK\$			695	0.04
ORIX	94,900	¥			1,923	0.09
<b>Investment banking &amp; brokerage services</b>					<b>77,558</b>	<b>3.77</b>
Bank of New York Mellon	240,966	US\$			12,716	0.62
China International Capital 'H'	715,200	HK\$			788	0.04
GF Securities 'H'	924,200	HK\$			885	0.04
Huatai Securities 'H'	1,221,600	HK\$			1,296	0.06
Nomura Holdings	225,700	¥			1,335	0.07
<b>Equity portfolios</b>						
Greencoat UK Wind	12,342,085	£			19,999	0.97
3i Infrastructure	7,941,078	£			30,369	1.48
M&G (Lux) Global Emerging Markets Fund Euro Class 'CI' (Accumulation) <sup>b</sup>	693,159	€			10,170	0.49
<b>Mortgage real estate investment trusts</b>						
Unibail-Rodamco-Westfield	211,483	€			<b>15,669</b>	<b>0.76</b>
<b>Life insurance</b>						
Ping An Insurance Group of China 'H'	479,500	HK\$			<b>1,875</b>	<b>0.09</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Non-life insurance</b>					<b>1,704</b>	<b>0.08</b>
Japan Post Holdings	43,000	¥			402	0.02
Tokio Marine Holdings	45,000	¥			1,302	0.06
<b>Real estate investment &amp; services</b>					<b>6,845</b>	<b>0.33</b>
KE Holdings	176,898	US\$			2,264	0.11
Mitsubishi Estate	107,200	¥			1,803	0.09
Mitsui Fudosan	178,800	¥			1,780	0.08
Nomura Real Estate Holdings	8,100	¥			212	0.01
Sun Hung Kai Properties	88,000	HK\$			786	0.04
<b>Automobiles &amp; parts</b>					<b>17,798</b>	<b>0.87</b>
Aisin	6,500	¥			245	0.01
Brilliance China Automotive Holdings	474,000	HK\$			303	0.01
BYD 'A'	57,607	CNY			1,540	0.08
BYD 'H'	49,000	HK\$			1,173	0.06
CRRC 'H'	2,741,000	HK\$			1,371	0.07
Denso	33,800	¥			597	0.03
Honda Motor	178,000	¥			2,032	0.10
Nexteer Automotive Group	1,903,000	HK\$			831	0.04
REE Automotive 'A'	14,824	US\$			80	0.00
Sumitomo Electric Industries	55,600	¥			795	0.04
Suzuki Motor	64,400	¥			680	0.03
Toyota Industries	19,500	¥			1,882	0.09
Toyota Motor	243,900	¥			5,700	0.28
Yamaha Motor	66,700	¥			569	0.03
<b>Household goods &amp; home construction</b>					<b>1,193</b>	<b>0.06</b>
Daiwa House Industry	9,100	¥			250	0.01
Midea Group 'A'	68,600	CNY			568	0.03
Sekisui Chemical	17,300	¥			234	0.01
Sekisui House	6,700	¥			141	0.01
<b>Leisure goods</b>					<b>5,054</b>	<b>0.25</b>
Nikon	74,100	¥			693	0.03
Nintendo	14,800	¥			749	0.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Leisure goods (continued)</b>						
Panasonic Holdings	157,600	¥			1,388	0.07
Shimano	1,700	¥			235	0.01
Sony Group	25,100	¥			1,989	0.10
<b>Personal goods</b>					<b>3,665</b>	<b>0.18</b>
Crystal International Group	4,634,500	HK\$			1,759	0.08
Kao	3,600	¥			125	0.01
NetEase	81,055	HK\$			1,563	0.08
Shiseido	8,600	¥			218	0.01
<b>Media</b>					<b>1,404</b>	<b>0.07</b>
Baidu 'A'	35,800	HK\$			435	0.02
Dentsu	7,000	¥			180	0.01
LY	53,600	¥			126	0.01
TBS Holdings	25,800	¥			663	0.03
<b>Retailers</b>					<b>5,490</b>	<b>0.27</b>
Fast Retailing	2,200	¥			631	0.03
MINISO Group Holding	29,632	US\$			557	0.03
MINISO Group Holding	104,800	HK\$			499	0.02
Pan Pacific International Holdings	11,500	¥			282	0.01
Seven & i Holdings	205,500	¥			2,775	0.14
Sun Art Retail Group	4,036,000	HK\$			746	0.04
<b>Travel &amp; leisure</b>					<b>5,169</b>	<b>0.25</b>
Central Japan Railway	25,300	¥			580	0.03
East Japan Railway	12,900	¥			229	0.01
H World Group	129,500	HK\$			466	0.02
H World Group ADR	37,312	US\$			1,337	0.06
Keisei Electric Railway	22,700	¥			854	0.04
Oriental Land	6,400	¥			190	0.01
Trip.com Group ADR	18,999	US\$			774	0.04
West Japan Railway	18,400	¥			356	0.02
Yum China Holdings	10,626	US\$			383	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Beverages</b>					<b>2,090</b>	<b>0.10</b>
Asahi Group Holdings	5,100	¥			173	0.01
China Resources Beer Holdings	302,000	HK\$			1,290	0.06
Kirin Holdings	14,700	¥			190	0.01
Kweichow Moutai	2,000	CNY			437	0.02
<b>Food producers</b>					<b>1,094</b>	<b>0.05</b>
WH Group	1,634,500	HK\$			1,002	0.05
Yukiguni Maitake	14,300	¥			92	0.00
<b>Construction &amp; materials</b>					<b>3,079</b>	<b>0.15</b>
Hitachi Zosen	64,300	¥			520	0.02
Sinopec Engineering Group 'H'	3,367,500	HK\$			1,800	0.09
Taisei	6,600	¥			222	0.01
TK Group Holdings	3,052,000	HK\$			537	0.03
<b>Electricity</b>						
CGN Power 'H'	3,623,000	HK\$			<b>999</b>	<b>0.05</b>
<b>Electronic &amp; electrical equipment</b>					<b>6,925</b>	<b>0.34</b>
Contemporary Amperex Technology 'A'	27,600	CNY			668	0.03
Dongfang Electric 'H'	1,160,200	HK\$			1,127	0.06
Hitachi	34,000	¥			2,869	0.14
Keyence	1,500	¥			644	0.03
Murata Manufacturing	26,400	¥			457	0.02
Nidec	8,500	¥			324	0.02
Taiyo Yuden	11,400	¥			250	0.01
TDK	6,500	¥			294	0.02
Ushio	24,700	¥			292	0.01
<b>General industrials</b>					<b>1,489</b>	<b>0.07</b>
AGC	8,000	¥			269	0.01
Daikin Industries	3,900	¥			493	0.03
ITOCHU	6,600	¥			262	0.01
Mitsubishi Electric	30,100	¥			465	0.02
<b>Industrial engineering</b>					<b>8,087</b>	<b>0.39</b>
Daifuku	15,200	¥			337	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Industrial engineering (continued)</b>						
FANUC	18,000	¥			465	0.02
Isuzu Motors	23,200	¥			290	0.01
Kawasaki Heavy Industries	14,800	¥			451	0.02
Komatsu	20,300	¥			556	0.03
Kubota	14,000	¥			203	0.01
Morimatsu International Holdings	823,000	HK\$			466	0.02
Shanghai Hanbell Precise Machinery 'A'	235,600	CNY			608	0.03
Sinoseal Holding	254,558	CNY			1,065	0.05
Sumitomo Heavy Industries	9,700	¥			282	0.01
Weichai Power 'H'	909,000	HK\$			1,603	0.08
Yangzijiang Shipbuilding Holdings	1,199,600	SG\$			1,576	0.08
Yaskawa Electric	4,700	¥			185	0.01
<b>Industrial support services</b>					<b>7,320</b>	<b>0.36</b>
Mitsui	77,000	¥			3,331	0.16
Recruit Holdings	34,200	¥			1,392	0.07
Secom	3,800	¥			255	0.01
Sinotrans 'H'	4,763,000	HK\$			2,153	0.11
Yamato Holdings	14,200	¥			189	0.01
<b>Industrial transportation</b>					<b>7,723</b>	<b>0.38</b>
China Railway Signal & Communication 'H'	3,927,000	HK\$			1,391	0.07
COSCO SHIPPING Energy Transportation 'H'	1,578,000	HK\$			1,520	0.08
COSCO SHIPPING Ports	2,164,572	HK\$			1,097	0.05
Hainan Meilan Internationa 'H'	1,393,000	HK\$			1,165	0.06
Pacific Basin Shipping	7,771,000	HK\$			2,087	0.10
Shanghai International Airport 'A'	101,113	CNY			463	0.02
<b>Industrial metals &amp; mining</b>					<b>41,123</b>	<b>2.00</b>
Anglo American	503,470	£			11,380	0.55
BHP Group	544,578	£			14,488	0.71
MMG	2,236,000	HK\$			817	0.04
Rio Tinto	246,482	£			14,438	0.70

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Chemicals</b>					<b>4,479</b>	<b>0.22</b>
Asahi Kasei	80,200	¥			544	0.03
Dongyue Group	1,113,000	HK\$			970	0.05
Earth	6,400	¥			167	0.01
Mitsubishi Chemical Holdings	22,600	¥			127	0.01
Nitto Denko	2,900	¥			245	0.01
Shin-Etsu Chemical	37,700	¥			1,530	0.07
Showa Denko	20,700	¥			445	0.02
Toray Industries	101,100	¥			451	0.02
<b>Non-renewable energy</b>					<b>4,810</b>	<b>0.23</b>
CIMC Enric Holdings	1,508,000	HK\$			1,420	0.07
ENEOS Holdings	72,500	¥			323	0.01
PetroChina 'H'	1,770,000	HK\$			1,405	0.07
Sinopec Kantons Holdings	3,878,000	HK\$			1,662	0.08
<b>Renewable energy</b>						
Greencoat Renewables	21,117,168	€			<b>18,393</b>	<b>0.90</b>
<b>Equity derivatives</b>					<b>17,690</b>	<b>0.86</b>
<b>Equity index futures</b>					<b>17,690</b>	<b>0.86</b>
IBEX 35 Index Futures	309	€	19.04.2024	34,246	2,500	0.12
Hang Seng China Enterprises Index Futures	1,292	HK\$	29.04.2024	44,483	305	0.02
Hang Seng Stock Index Futures	326	HK\$	29.04.2024	31,951	(26)	0.00
MSCI Singapore Index Futures	1,151	SG\$	29.04.2024	22,969	62	0.00
Korean Stock Exchange Futures	1,405	KRW	13.06.2024	90,293	3,551	0.17
Topix Index Futures	371	¥	13.06.2024	62,519	1,463	0.07
DAX Index Futures	197	€	21.06.2024	91,076	3,689	0.18
DJ Euro Stoxx 50 Futures	835	€	21.06.2024	42,447	1,295	0.06
DJ Euro Stoxx 50 Futures	6,505	€	21.06.2024	45,311	4,232	0.21
FTSE 100 Index Futures	1,311	£	21.06.2024	121,931	2,896	0.14
S&P MINI 500 Futures	(612)	US\$	21.06.2024	149,110	(2,277)	(0.11)
<b>Fixed income</b>					<b>1,401,391</b>	<b>68.18</b>
<b>Bond portfolios</b>					<b>46,688</b>	<b>2.27</b>
M&G (Lux) Global Convertibles Fund Euro Class 'C-H' (Accumulation) <sup>b</sup>	2,632,704	€			41,784	2.03

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Bond portfolios</b> (continued)						
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund Euro Class 'CI-H' (Accumulation) <sup>b</sup>	500,000	€			4,904	0.24
<b>Debt securities</b>					<b>1,351,459</b>	<b>65.75</b>
<b>'AAA' credit rated bonds</b>					<b>806,245</b>	<b>39.22</b>
Alme Loan Funding IV FRN	182,849	€	15.01.2032		182	0.01
Anchorage Capital Europe CLO 8 FRN	150,000	€	25.07.2035		151	0.01
Arkéa Public Sector SCF 3.111%	100,000	€	28.02.2029		101	0.00
Avoca CLO XVII FRN	195,000	€	15.10.2032		193	0.01
Avoca CLO XXV FRN	230,000	€	15.10.2034		228	0.01
Banco BPI 3.25%	200,000	€	22.03.2030		200	0.01
Bank of Nova Scotia FRN	184,000	£	14.03.2025		217	0.01
Bank of Nova Scotia FRN	170,000	£	26.01.2026		201	0.01
Bayerische Landesbank 1%	100,000	£	20.12.2024		113	0.01
Blackrock European CLO XII FRN	215,000	€	17.01.2035		212	0.01
BNPP AM Euro CLO FRN	220,000	€	22.07.2032		217	0.01
Cairn CLO XIV FRN	115,000	€	29.10.2034		114	0.01
Caisse de Refinancement de l'Habitat 2.875%	300,000	€	25.03.2031		299	0.01
Canada Square Funding FRN	104,778	£	17.06.2058		123	0.01
Canadian Imperial Bank of Commerce FRN	290,000	£	15.12.2025		342	0.02
Candide Financing FRN	77,889	€	20.11.2060		78	0.00
Carlyle Euro CLO FRN	220,000	€	15.07.2034		217	0.01
Castell FRN	66,311	£	25.11.2053		78	0.00
CIFC European Funding CLO V FRN	430,000	€	23.11.2034		426	0.02
Commerzbank 3%	600,000	€	13.03.2034		603	0.03
Crédit Agricole Home Loan 3%	500,000	€	01.12.2030		502	0.02
Crédit Mutuel Home Loan 3%	200,000	€	28.11.2030		201	0.01
DNB Boligkreditt 2.875%	172,000	€	12.03.2029		172	0.01
Domi FRN	101,765	€	15.06.2053		102	0.00
Dowson FRN	9,965	£	20.01.2029		12	0.00
Economic Master Issuer FRN	109,000	£	25.06.2073		127	0.01
Elstree Funding No. 2 FRN	98,884	£	21.12.2054		116	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
European Bank for Reconstruction & Development 6.3%	12,000,000	INR	26.10.2027		131	0.01
Finance Ireland RMBS No. 3 FRN	50,253	€	24.06.2061		50	0.00
Finance Ireland RMBS No. 4 FRN	82,184	€	24.12.2061		82	0.00
Finsbury Square FRN	54,855	£	16.12.2067		64	0.00
France (Republic of) 0%	148,460,000	€	17.04.2024		148,244	7.21
France (Republic of) 0%	156,800,000	€	10.07.2024		155,212	7.55
France (Republic of) 0%	68,398,000	€	07.08.2024		67,514	3.28
Gemgarto FRN	242,729	£	16.12.2067		284	0.01
Genesis Mortgage Funding FRN	98,070	£	15.09.2059		115	0.01
Germany (Federal Republic of) 0%	120,600,000	€	15.05.2024		120,088	5.84
Germany (Federal Republic of) 0%	120,600,000	€	19.06.2024		119,667	5.82
Germany (Federal Republic of) 0%	180,743,000	€	17.07.2024		178,819	8.70
Germany (Federal Republic of) 1.5%	1,845,749	€	15.05.2024		1,841	0.09
Germany (Federal Republic of) 2.3%	900,000	€	15.02.2033		902	0.04
Glenbeigh 2 Issuer FRN	177,182	€	24.06.2050		177	0.01
Hops Hill No. 1 FRN	225,947	£	27.05.2054		265	0.01
International Bank for Reconstruction & Development 0%	150,000	€	15.01.2027		139	0.01
International Bank for Reconstruction & Development 0.625%	400,000	€	22.11.2027		371	0.02
International Bank for Reconstruction & Development 6.85%	16,000,000	INR	24.04.2028		177	0.01
Jubilee Place FRN	134,291	€	17.10.2057		135	0.01
Jubilee Place FRN	59,283	€	17.07.2058		59	0.00
Kreditanstalt für Wiederaufbau 1.375%	500,000	£	09.12.2024		570	0.03
Lanebrook Mortgage Transaction FRN	144,006	£	20.07.2058		168	0.01
London Wall Mortgage Capital FRN	134,472	£	15.05.2051		157	0.01
Lusitano Mortgages No. 5 FRN	118,623	€	15.07.2059		115	0.01
Mortimer BTL FRN	225,666	£	23.06.2053		264	0.01
National Australia Bank FRN	370,000	£	04.02.2025		433	0.02
New York Life Global Funding 3.625%	735,000	€	09.01.2030		749	0.04

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
New York Life Global Funding 4.9%	1,100,000	US\$	13.06.2028		1,018	0.05
North Westerly VII ESG CLO FRN	220,000	€	15.05.2034		217	0.01
Novo Banco 3.25%	300,000	€	01.03.2027		300	0.01
Palmer Square European Loan Funding FRN	86,962	€	15.07.2031		87	0.00
Palmer Square European Loan Funding FRN	171,641	€	15.10.2031		170	0.01
Royal Bank of Canada FRN	360,000	£	03.10.2024		422	0.02
RRE 5 Loan Management FRN	115,000	€	15.01.2037		113	0.01
Saecure 20 FRN	136,035	€	28.04.2093		138	0.01
Santander UK 3%	440,000	€	12.03.2029		440	0.02
Together Asset Backed Securitisation FRN	106,041	£	15.12.2061		124	0.01
Toronto-Dominion Bank FRN	280,000	€	16.02.2027		280	0.01
Towd Point Mortgage Funding FRN	110,000	£	20.10.2051		129	0.01
Tower Bridge Funding FRN	49,092	£	20.12.2063		57	0.00
TSB Bank 3.319%	109,000	€	05.03.2029		110	0.01
Twin Bridges FRN	188,218	£	12.09.2055		220	0.01
UBS Switzerland 3.304%	100,000	€	05.03.2029		101	0.00
<b>'AA' credit rated bonds</b>					<b>78,716</b>	<b>3.83</b>
Banco Santander Totta 3.25%	300,000	€	15.02.2031		301	0.01
BPER Banca 3.25%	100,000	€	22.01.2031		100	0.00
Caisse Française de Financement Local 3.125%	200,000	€	24.11.2033		202	0.01
Cisco Systems 4.85%	600,000	US\$	26.02.2029		560	0.03
Cisco Systems 4.95%	600,000	US\$	26.02.2031		561	0.03
Crédit Agricole Italia 3.5%	300,000	€	15.07.2033		307	0.01
Crédit Agricole Italia 3.5%	300,000	€	11.03.2036		307	0.01
France (Republic of) 1.75%	1,890,000	€	25.11.2024		1,868	0.09
Iccrea Banca 3.5%	203,000	€	04.03.2032		206	0.01
JPMorgan Chase FRN	74,000	US\$	14.06.2030		67	0.00
Kodit Global 4.954%	400,000	US\$	25.05.2026		368	0.02
Korea Expressway FRN	400,000	US\$	10.07.2028		375	0.02
Magellan Mortgages No. 3 FRN	116,066	€	15.05.2058		113	0.01

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
MassMutual Global Funding II 3.75%	500,000	€	19.01.2030		509	0.02
MassMutual Global Funding II 4.5%	1,700,000	US\$	10.04.2026		1,560	0.08
MassMutual Global Funding II 4.85%	200,000	US\$	17.01.2029		184	0.01
Meta Platforms 3.85%	900,000	US\$	15.08.2032		781	0.04
Metropolitan Life Global Funding I 1.625%	785,000	£	12.10.2028		810	0.04
Metropolitan Life Global Funding I 3.75%	100,000	€	05.12.2030		103	0.01
Metropolitan Life Global Funding I 4.3%	550,000	US\$	25.08.2029		490	0.02
Metropolitan Life Global Funding I 5.15%	1,000,000	US\$	28.03.2033		927	0.05
Metropolitan Life Global Funding I 5.4%	400,000	US\$	12.09.2028		376	0.02
NBN 4.375%	714,000	€	15.03.2033		764	0.04
NBN 5.75%	372,000	US\$	06.10.2028		356	0.02
Nestlé Capital 4.5%	510,000	£	22.03.2029		596	0.03
New York Life Global Funding 0.25%	520,000	€	04.10.2028		457	0.02
New York Life Global Funding 1.5%	115,000	£	15.07.2027		122	0.01
New York Life Global Funding 3.45%	320,000	€	30.01.2031		322	0.02
Northwestern Mutual Global Funding 5.07%	108,000	US\$	25.03.2027		101	0.00
Polo Funding FRN	3,357	£	26.09.2046		4	0.00
Roche Holdings 1.93%	1,200,000	US\$	13.12.2028		981	0.05
Siemens Financieringsmaatschappij 1.7%	490,000	US\$	11.03.2028		406	0.02
Siemens Financieringsmaatschappij 3.625%	200,000	€	22.02.2044		202	0.01
SK On 5.375%	200,000	US\$	11.05.2026		186	0.01
SLM Student Loan Trust FRN	55,819	€	15.12.2033		52	0.00
Svenska Handelsbanken 5.5%	600,000	US\$	15.06.2028		562	0.03
TSMC Global 2.25%	1,325,000	US\$	23.04.2031		1,041	0.05
UK Gilt 0.625%	2,300,000	£	22.10.2050		1,115	0.05
UK Gilt 3.75%	47,977,000	£	22.10.2053		49,837	2.42
US Treasury Bond 1.125%	4,445,000	US\$	15.08.2040		2,545	0.12
US Treasury Bond 1.25%	4,000,000	US\$	15.05.2050		1,892	0.09
US Treasury Bond I/L 0.375%	2,725,000	US\$	15.01.2027		3,076	0.15
US Treasury Bond I/L 0.625%	486,900	US\$	15.02.2043		464	0.02

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
US Treasury Note 4.375%	2,350,000	US\$	31.08.2028		2,188	0.11
Westpac New Zealand 5.195%	400,000	US\$	28.02.2029		372	0.02
<b>'A' credit rated bonds</b>					<b>52,536</b>	<b>2.56</b>
AbbVie 3.2%	650,000	US\$	21.11.2029		555	0.03
Aena 4.25%	300,000	€	13.10.2030		315	0.01
Ageas FRN	200,000	€	02.07.2049		188	0.01
AIA Group FRN	105,000	€	09.09.2033		91	0.00
AIA Group FRN	800,000	US\$	31.12.2099		693	0.03
AIB Group FRN	125,000	€	23.10.2031		135	0.01
ALD 3.875%	200,000	€	22.02.2027		201	0.01
Alibaba Group Holding 4.4%	400,000	US\$	06.12.2057		304	0.01
Allianz FRN	100,000	€	25.07.2053		111	0.01
Allianz FRN	200,000	€	31.12.2099		158	0.01
American Water Capital 3.75%	830,000	US\$	01.09.2028		736	0.04
American Water Capital 6.593%	250,000	US\$	15.10.2037		262	0.01
Anheuser-Busch InBev Worldwide 5.45%	188,000	US\$	23.01.2039		180	0.01
Arion Banki 7.25%	345,000	€	25.05.2026		363	0.02
AXA FRN	110,000	€	10.07.2042		93	0.00
AXA FRN	210,000	€	10.03.2043		210	0.01
Banco Bilbao Vizcaya Argentaria FRN	200,000	€	24.03.2027		187	0.01
Banco Santander FRN	400,000	£	30.08.2028		462	0.02
Banco Santander 4.25%	400,000	€	12.06.2030		417	0.02
Banco Santander 5.588%	200,000	US\$	08.08.2028		188	0.01
Bank of America FRN	300,000	US\$	06.12.2025		270	0.01
Bank of America FRN	235,000	€	04.05.2027		226	0.01
Bank of America FRN	600,000	US\$	25.04.2029		556	0.03
Bank of America FRN	274,000	£	02.06.2029		282	0.01
Bank of America FRN	660,000	US\$	14.06.2029		541	0.03
Bank of America FRN	600,000	US\$	23.07.2029		536	0.03
Banque Fédérative du Crédit Mutuel 0.625%	400,000	€	03.11.2028		350	0.02

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Banque Fédérative du Crédit Mutuel 3.125%	200,000	€	14.09.2027		198	0.01
Banque Fédérative du Crédit Mutuel 4.753%	550,000	US\$	13.07.2027		504	0.02
Banque Fédérative du Crédit Mutuel 5.375%	500,000	£	25.05.2028		596	0.03
BNP Paribas FRN	802,000	US\$	12.06.2029		748	0.04
BOC Aviation 3.875%	1,200,000	US\$	27.04.2026		1,079	0.05
CBQ Finance 2%	360,000	US\$	15.09.2025		317	0.02
Chile (Republic of) 4.7%	10,145,000,000	CLP	01.09.2030		9,033	0.44
Comcast 3.25%	770,000	US\$	01.11.2039		558	0.03
Comcast 3.4%	370,000	US\$	01.04.2030		317	0.02
Comcast 3.75%	1,020,000	US\$	01.04.2040		785	0.04
Comcast 5.35%	550,000	US\$	15.05.2053		504	0.02
Commercial Bank FRN	700,000	US\$	31.12.2099		602	0.03
Coventry Building Society FRN	295,000	£	07.11.2027		357	0.02
Crédit Agricole FRN	390,000	US\$	26.01.2027		335	0.02
Crédit Agricole FRN	300,000	€	11.07.2029		307	0.01
Crédit Agricole FRN	250,000	US\$	10.01.2030		231	0.01
Crédit Mutuel Arkéa 3.375%	200,000	€	11.03.2031		190	0.01
Credit Suisse 7.75%	400,000	£	10.03.2026		490	0.02
de Volksbank 4.875%	100,000	€	07.03.2030		105	0.00
Duke Energy Progress 5.1%	600,000	US\$	15.03.2034		555	0.03
East Japan Railway 4.11%	525,000	€	22.02.2043		550	0.03
EIG Pearl Holdings 3.545%	420,000	US\$	31.08.2036		333	0.02
Elevance Health 4.625%	800,000	US\$	15.05.2042		673	0.03
Eli Lilly & Co 3.375%	400,000	US\$	15.03.2029		352	0.02
Empresa de Transporte de Pasajeros Metro 3.65%	450,000	US\$	07.05.2030		382	0.02
Entergy Texas 1.75%	375,000	US\$	15.03.2031		280	0.01
Essential Utilities 5.375%	650,000	US\$	15.01.2034		599	0.03
Fifth Third Bank FRN	160,000	US\$	25.04.2033		135	0.01
First Abu Dhabi Bank FRN	800,000	US\$	04.04.2034		759	0.04
GlaxoSmithKline Capital 3.875%	425,000	US\$	15.05.2028		383	0.02

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Hannover Rück FRN	100,000	€	08.10.2040		87	0.00
Hannover Rück FRN	200,000	€	30.06.2042		164	0.01
Helvetia Europe FRN	420,000	€	30.09.2041		371	0.02
HSBC Holdings FRN	490,000	£	24.07.2027		529	0.03
HSBC Holdings FRN	200,000	US\$	11.08.2033		184	0.01
Intel 5.2%	500,000	US\$	10.02.2033		469	0.02
JPMorgan Chase FRN	550,000	US\$	01.02.2028		491	0.02
JPMorgan Chase FRN	1,235,000	US\$	01.06.2029		1,016	0.05
JPMorgan Chase FRN	136,000	€	23.03.2030		127	0.01
JPMorgan Chase FRN	1,000,000	US\$	15.10.2030		821	0.04
KBC Group 3.75%	400,000	€	27.03.2032		404	0.02
KeySpan Gas East 5.994%	750,000	US\$	06.03.2033		705	0.03
Landesbank Hessen-Thüringen Girozentrale FRN	300,000	€	15.09.2032		285	0.01
Lloyds Banking Group FRN	300,000	£	15.01.2026		341	0.02
Masdar Abu Dhabi Future Energy 4.875%	398,000	US\$	25.07.2033		362	0.02
Morgan Stanley FRN	350,000	US\$	20.04.2028		315	0.01
Morgan Stanley FRN	140,000	€	02.03.2029		145	0.01
Morgan Stanley FRN	366,000	€	21.03.2030		369	0.02
Morgan Stanley FRN	630,000	US\$	21.01.2033		495	0.02
Morgan Stanley FRN	120,000	€	25.01.2034		133	0.01
Motability Operations Group 3.625%	319,000	€	24.07.2029		323	0.02
Münchener Rückversicherungs-Gesellschaft FRN	200,000	€	26.05.2042		160	0.01
National Rural Utilities Cooperative Finance 1.35%	1,500,000	US\$	15.03.2031		1,092	0.05
Ooredoo International Finance 2.625%	800,000	US\$	08.04.2031		638	0.03
Pfizer Investment Enterprises 4.45%	115,000	US\$	19.05.2028		105	0.00
Potomac Electric Power 5.2%	600,000	US\$	15.03.2034		562	0.03
Prologis Euro Finance 0.625%	210,000	€	10.09.2031		169	0.01
Prologis International Funding II 4.625%	100,000	€	21.02.2035		105	0.00
QNB Finance 1.375%	400,000	US\$	26.01.2026		346	0.02
QNB Finance 2.625%	350,000	US\$	12.05.2025		314	0.01

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
SA Global Sukuk 2.694%	200,000	US\$	17.06.2031		160	0.01
Santander Consumer Bank 0.25%	300,000	€	15.10.2024		294	0.01
Saudi Arabian Oil 1.625%	200,000	US\$	24.11.2025		175	0.01
Skandinaviska Enskilda Banken 5.375%	350,000	US\$	05.03.2029		325	0.02
Skipton Building Society FRN	200,000	£	25.04.2029		237	0.01
SMBC Aviation Capital Finance 5.45%	200,000	US\$	03.05.2028		186	0.01
SMBC Aviation Capital Finance 5.7%	800,000	US\$	25.07.2033		747	0.04
Southern California Edison 2.85%	130,000	US\$	01.08.2029		109	0.00
Southern California Edison 4.7%	412,000	US\$	01.06.2027		378	0.02
Standard Chartered FRN	800,000	US\$	29.06.2032		610	0.03
Swedbank FRN	490,000	£	24.05.2029		590	0.03
Swedbank 6.136%	200,000	US\$	12.09.2026		188	0.01
Tencent Holdings 2.39%	340,000	US\$	03.06.2030		269	0.01
Toronto-Dominion Bank 0.5%	215,000	€	18.01.2027		199	0.01
TotalEnergies FRN	100,000	€	29.12.2049		98	0.00
UBS Group FRN	200,000	US\$	22.12.2027		189	0.01
UBS Group FRN	370,000	US\$	12.05.2028		336	0.02
UBS Group FRN	100,000	€	01.03.2029		114	0.01
UBS Group FRN	210,000	US\$	22.09.2029		201	0.01
UBS Group FRN	360,000	US\$	08.02.2030		334	0.02
UBS Group FRN	385,000	US\$	13.08.2030		318	0.02
UBS Group FRN	290,000	€	02.04.2032		272	0.01
UBS Group FRN	250,000	US\$	12.08.2033		244	0.01
US Bancorp FRN	286,000	US\$	23.01.2030		266	0.01
Vienna Insurance Group FRN	100,000	€	15.06.2042		102	0.00
Volvo Treasury 3.125%	100,000	€	08.09.2026		99	0.00
Waste Connections 2.2%	2,000,000	US\$	15.01.2032		1,518	0.07
Wells Fargo FRN	500,000	US\$	24.04.2034		460	0.02
Yorkshire Building Society FRN	200,000	£	12.09.2027		243	0.01
Yorkshire Building Society FRN	300,000	£	11.10.2030		318	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Yorkshire Water Finance 5.25%	268,000	£	28.04.2030		309	0.01
Zurich Finance FRN	200,000	US\$	19.04.2051		154	0.01
					<b>240,124</b>	<b>11.68</b>
<b>'BBB' credit rated bonds</b>						
A1 Towers Holding 5.25%	600,000	€	13.07.2028		632	0.03
AA Bond 7.375%	160,000	£	31.07.2050		194	0.01
ABN AMRO Bank FRN	100,000	€	22.02.2033		103	0.00
ABN AMRO Bank 3.875%	200,000	€	15.01.2032		202	0.01
ABN AMRO Bank 4.5%	100,000	€	21.11.2034		107	0.00
AEP Texas 3.95%	625,000	US\$	01.06.2028		554	0.03
AerCap Ireland Capital Via AerCap Global Aviation Trust 3%	200,000	US\$	29.10.2028		168	0.01
AerCap Ireland Capital Via AerCap Global Aviation Trust 3.3%	264,000	US\$	30.01.2032		210	0.01
AIB Group FRN	255,000	€	23.07.2029		263	0.01
AIB Group FRN	200,000	US\$	13.09.2029		193	0.01
AIB Group FRN	600,000	US\$	28.03.2035		558	0.03
Albemarle 5.05%	170,000	US\$	01.06.2032		151	0.01
Aldar Investment Properties 4.875%	600,000	US\$	24.05.2033		544	0.03
American International Group 5.125%	600,000	US\$	27.03.2033		553	0.03
Anglo American Capital 5.5%	800,000	US\$	02.05.2033		737	0.04
APA Infrastructure 1.25%	330,000	€	15.03.2033		266	0.01
APTIV 3.1%	425,000	US\$	01.12.2051		247	0.01
Arcadis 4.875%	200,000	€	28.02.2028		207	0.01
Argenta Spaarbank FRN	100,000	€	29.11.2027		103	0.00
Argenta Spaarbank FRN	200,000	€	08.02.2029		181	0.01
Arkema 4.25%	300,000	€	20.05.2030		312	0.01
Aroundtown FRN	260,000	£	31.12.2099		183	0.01
Aroundtown FRN	200,000	€	31.12.2099		120	0.01
ASR Nederland FRN	120,000	€	07.12.2043		139	0.01
ASTM 1.5%	255,000	€	25.01.2030		222	0.01
Australia Pacific Airports 4%	229,000	€	07.06.2034		232	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Australia Pacific Airports 4.375%	100,000	€	24.05.2033		105	0.00
Autoliv 3.625%	124,000	€	07.08.2029		124	0.01
Autostrade per l'Italia 4.25%	144,000	€	28.06.2032		145	0.01
Autostrade per l'Italia 4.75%	270,000	€	24.01.2031		282	0.01
Autostrade per l'Italia 5.125%	128,000	€	14.06.2033		137	0.01
Balder Finland 1%	100,000	€	20.01.2029		82	0.00
Banco Bilbao Vizcaya Argentaria FRN	600,000	US\$	14.09.2028		568	0.03
Banco de Crédito del Perú FRN	400,000	US\$	01.07.2030		355	0.02
Banco General 4.125%	675,000	US\$	07.08.2027		592	0.03
Banco Internacional del Perú FRN	800,000	US\$	08.07.2030		713	0.03
Bank Leumi FRN	400,000	US\$	29.01.2031		345	0.02
Bank Leumi FRN	400,000	US\$	18.07.2033		366	0.02
Bank Mandiri 5.5%	400,000	US\$	04.04.2026		371	0.02
Bank of East Asia FRN	400,000	US\$	15.03.2027		374	0.02
Bank of East Asia FRN	400,000	US\$	22.04.2032		349	0.02
Bank of Ireland Group FRN	323,000	US\$	30.09.2027		274	0.01
Bank of Ireland Group FRN	175,000	€	04.07.2031		186	0.01
Bank of the Philippine Islands 5.25%	400,000	US\$	26.03.2029		371	0.02
Bankinter FRN	200,000	€	23.12.2032		181	0.01
Banque Fédérative du Crédit Mutuel FRN	200,000	€	16.06.2032		198	0.01
Barclays FRN	310,000	£	31.01.2031		378	0.02
Barclays FRN	800,000	US\$	02.11.2033		823	0.04
Bayer 4.625%	85,000	€	26.05.2033		88	0.00
Bayer Finance II 4.625%	400,000	US\$	25.06.2038		309	0.01
Bayerische Landesbank FRN	300,000	€	23.09.2031		268	0.01
Belfius Bank FRN	100,000	€	06.04.2034		86	0.00
Belfius Bank 3.75%	200,000	€	22.01.2029		199	0.01
Bimbo Bakeries USA 5.375%	693,000	US\$	09.01.2036		638	0.03
Bimbo Bakeries USA 6.4%	343,000	US\$	15.01.2034		341	0.02
Blackstone Property Partners Europe Holdings 3.625%	200,000	€	29.10.2029		188	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
BNP Paribas FRN	200,000	€	15.01.2032		183	0.01
BP Capital Markets FRN	205,000	€	31.12.2099		196	0.01
BPCE FRN	300,000	US\$	19.10.2029		291	0.01
BPCE FRN	400,000	€	13.10.2046		329	0.02
BPCE 6.125%	600,000	£	24.05.2029		721	0.03
Broadcom 1.95%	100,000	US\$	15.02.2028		83	0.00
Bureau Veritas 1.875%	200,000	€	06.01.2025		197	0.01
Burgan Bank FRN	400,000	US\$	15.12.2031		320	0.02
Caixa Geral de Depósitos FRN	100,000	€	31.10.2028		107	0.00
CaixaBank FRN	500,000	US\$	13.09.2027		474	0.02
CaixaBank FRN	200,000	US\$	18.01.2029		189	0.01
CaixaBank FRN	300,000	€	14.11.2030		324	0.02
CaixaBank FRN	200,000	€	09.02.2032		203	0.01
Capital One Financial 1.65%	200,000	€	12.06.2029		178	0.01
CBRE Global Investors Open-Ended Funds 4.75%	363,000	€	27.03.2034		371	0.02
Celanese US Holdings 6.35%	500,000	US\$	15.11.2028		480	0.02
Celanese US Holdings 6.379%	275,000	US\$	15.07.2032		264	0.01
Charter Communications Operating Via Charter Communications Operating Capital 2.3%	1,025,000	US\$	01.02.2032		733	0.04
Charter Communications Operating Via Charter Communications Operating Capital 2.8%	665,000	US\$	01.04.2031		504	0.02
Charter Communications Operating Via Charter Communications Operating Capital 5.25%	616,000	US\$	01.04.2053		451	0.02
Charter Communications Operating Via Charter Communications Operating Capital 6.384%	254,000	US\$	23.10.2035		232	0.01
Citigroup FRN	189,000	US\$	24.05.2033		169	0.01
Colombia (Republic of) 7.75%	1,000,000,000	COP	18.09.2030		219	0.01
Concentrix 6.6%	800,000	US\$	02.08.2028		748	0.04
Concentrix 6.85%	195,000	US\$	02.08.2033		180	0.01
Consortio Transmuntaro 5.2%	200,000	US\$	11.04.2038		175	0.01
Constellation Energy Generation 5.75%	500,000	US\$	15.03.2054		463	0.02
Corning 4.125%	410,000	€	15.05.2031		421	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
CPI Property Group 1.625%	100,000	€	23.04.2027		85	0.00
CPI Property Group 1.75%	100,000	€	14.01.2030		73	0.00
Crédit Agricole FRN	100,000	€	31.12.2099		106	0.00
Crelan FRN	100,000	€	28.02.2030		107	0.01
Crelan FRN	400,000	€	23.01.2032		415	0.02
Daimler Truck Finance North America 2.5%	242,000	US\$	14.12.2031		186	0.01
Daimler Truck International Finance 3.875%	100,000	€	19.06.2029		102	0.00
Danske Bank FRN	150,000	€	15.05.2031		141	0.01
Danske Bank FRN	500,000	€	09.01.2032		501	0.02
Delamare Finance 5.5457%	69,146	£	19.02.2029		81	0.00
Dell International Via EMC 8.1%	213,000	US\$	15.07.2036		239	0.01
Deutsche Bank FRN	400,000	€	04.04.2030		400	0.02
Deutsche Bank FRN	100,000	€	24.06.2032		97	0.00
Deutsche Pfandbriefbank 7.625%	300,000	£	08.12.2025		337	0.02
Discovery Communications 6.35%	196,000	US\$	01.06.2040		178	0.01
Dollar General 5.2%	375,000	US\$	05.07.2028		349	0.02
Dominion Energy 2.25%	300,000	US\$	15.08.2031		228	0.01
Dominion Energy 3.375%	650,000	US\$	01.04.2030		548	0.03
DXC Technology 1.75%	210,000	€	15.01.2026		202	0.01
E.ON International Finance 6.65%	120,000	US\$	30.04.2038		121	0.01
Électricité de France 4.625%	500,000	€	25.01.2043		521	0.03
Électricité de France 4.75%	100,000	€	12.10.2034		107	0.01
Électricité de France 4.95%	400,000	US\$	13.10.2045		326	0.02
Électricité de France 5.5%	300,000	£	25.01.2035		345	0.02
EnBW Energie Baden-Württemberg FRN	200,000	€	31.08.2081		160	0.01
Enel Finance International 7.5%	625,000	US\$	14.10.2032		653	0.03
EnfraGen Energia Sur Via EnfraGen Spain Via Prime Energia 5.375%	525,000	US\$	30.12.2030		405	0.02
Engie 1%	300,000	€	13.03.2026		287	0.01
Engie 3.625%	100,000	€	06.03.2031		101	0.00
Engie 3.875%	100,000	€	06.03.2036		102	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Engie 7%	400,000	£	30.10.2028		512	0.02
Eni FRN	135,000	€	31.12.2099		125	0.01
Erste Group Bank FRN	100,000	€	07.06.2033		98	0.00
Erste Group Bank FRN	400,000	€	31.12.2099		361	0.02
Essential Utilities 2.704%	1,500,000	US\$	15.04.2030		1,203	0.06
Eurofins Scientific 4.75%	514,000	€	06.09.2030		537	0.03
Eversource Energy 3.375%	760,000	US\$	01.03.2032		613	0.03
Eversource Energy 5.5%	500,000	US\$	01.01.2034		463	0.02
Exelon 4.1%	240,000	US\$	15.03.2052		177	0.01
Fiserv 4.5%	215,000	€	24.05.2031		225	0.01
Flex 6%	353,000	US\$	15.01.2028		333	0.02
Fox 6.5%	1,000,000	US\$	13.10.2033		980	0.05
Fraport Frankfurt Airport Services Worldwide 1.875%	145,000	€	31.03.2028		135	0.01
Freeport Indonesia 4.763%	400,000	US\$	14.04.2027		363	0.02
Fresenius 2.875%	89,000	€	24.05.2030		85	0.00
Fresenius Medical Care US Finance III 2.375%	600,000	US\$	16.02.2031		437	0.02
General Electric 6.75%	600,000	US\$	15.03.2032		619	0.03
General Motors Financial 5.4%	500,000	US\$	08.05.2027		465	0.02
Globe Telecom 2.5%	200,000	US\$	23.07.2030		156	0.01
Globe Telecom 3%	200,000	US\$	23.07.2035		144	0.01
Goldman Sachs Group FRN	245,000	US\$	24.02.2028		211	0.01
Goldman Sachs Group 0.75%	70,000	€	23.03.2032		56	0.00
Grand City Properties FRN	100,000	€	31.12.2099		75	0.00
Harley-Davidson Financial Services 6.5%	190,000	US\$	10.03.2028		181	0.01
HCA 5.125%	750,000	US\$	15.06.2039		655	0.03
Hera 4.25%	100,000	€	20.04.2033		104	0.00
Hiscox 6%	360,000	£	22.09.2027		429	0.02
Holcim Finance Luxembourg 0.5%	115,000	€	23.04.2031		93	0.00
HSBC Holdings FRN	200,000	US\$	29.12.2049		185	0.01
Hungary (Republic of) 5.375%	377,000	€	12.09.2033		398	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Iberdrola International FRN	300,000	€	31.12.2099		269	0.01
Iccrea Banca FRN	220,000	€	17.01.2027		214	0.01
IHG Finance 4.375%	123,000	€	28.11.2029		127	0.01
Imerys 4.75%	500,000	€	29.11.2029		513	0.02
Inchcape 6.5%	185,000	£	09.06.2028		222	0.01
Indigo Group 4.5%	200,000	€	18.04.2030		208	0.01
Indofood CBP 3.398%	238,000	US\$	09.06.2031		192	0.01
Indofood CBP 4.805%	200,000	US\$	27.04.2052		152	0.01
Indonesia (Republic of) 6.125%	231,010,000,000	IDR	15.05.2028		13,317	0.65
Indonesia (Republic of) 6.625%	600,000	US\$	17.02.2037		629	0.03
Indonesia (Republic of) 8.25%	325,131,000,000	IDR	15.05.2029		20,416	0.99
Indonesia (Republic of) 8.375%	125,294,000,000	IDR	15.03.2034		8,218	0.40
ING Groep FRN	100,000	€	26.05.2031		96	0.00
ING Groep FRN	200,000	US\$	31.12.2099		156	0.01
Inmobiliaria Vesta 3.625%	343,000	US\$	13.05.2031		277	0.01
InterContinental Hotels Group 3.375%	170,000	£	08.10.2028		186	0.01
International Container Terminal Services 4.75%	200,000	US\$	17.06.2030		180	0.01
Intesa Sanpaolo FRN	200,000	US\$	21.11.2033		207	0.01
Intesa Sanpaolo 4%	720,000	US\$	23.09.2029		616	0.03
Islandsbanki 7.375%	308,000	€	17.05.2026		323	0.02
Israel Electric 3.75%	200,000	US\$	22.02.2032		157	0.01
JAB Holdings 5%	100,000	€	12.06.2033		108	0.01
KBC Group FRN	300,000	€	07.12.2031		274	0.01
KeyBank 5%	160,000	US\$	26.01.2033		137	0.01
KeyCorp FRN	65,000	US\$	06.03.2035		61	0.00
Kyndryl Holdings 2.7%	680,000	US\$	15.10.2028		558	0.03
Kyndryl Holdings 3.15%	250,000	US\$	15.10.2031		194	0.01
Kyndryl Holdings 6.35%	182,000	US\$	20.02.2034		173	0.01
Landesbank Baden-Württemberg FRN	200,000	€	31.12.2099		174	0.01
Landesbank Baden-Württemberg 2.2%	200,000	€	09.05.2029		179	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Landsbankinn 0.75%	315,000	€	25.05.2026		291	0.01
Landsbankinn 5%	100,000	€	13.05.2028		101	0.00
Landsbankinn 6.375%	102,000	€	12.03.2027		107	0.01
Lenovo Group 3.421%	802,000	US\$	02.11.2030		652	0.03
Lenovo Group 3.421%	300,000	US\$	02.11.2030		244	0.01
Liberty Utilities 5.577%	500,000	US\$	31.01.2029		466	0.02
Lloyds Banking Group FRN	1,200,000	US\$	11.05.2027		1,025	0.05
Lloyds Banking Group FRN	135,000	£	15.12.2031		143	0.01
Logicor Financing 1.625%	100,000	€	17.01.2030		87	0.00
Logicor Financing 3.25%	180,000	€	13.11.2028		173	0.01
Magyar Export-Import Bank 6.125%	200,000	US\$	04.12.2027		187	0.01
Mashreqbank FRN	703,000	US\$	24.02.2033		692	0.03
Mauritius Commercial Bank 7.95%	400,000	US\$	26.04.2028		399	0.02
Meituan 2.125%	200,000	US\$	28.10.2025		176	0.01
Meituan 3.05%	450,000	US\$	28.10.2030		357	0.02
Metropolitan Edison 5.2%	51,000	US\$	01.04.2028		47	0.00
Mexico (United Mexican States) 5.75%	241,028,900	MXN	05.03.2026		12,478	0.61
Mexico (United Mexican States) 7.5%	405,833,800	MXN	03.06.2027		21,504	1.05
Mexico (United Mexican States) 7.75%	596,852,800	MXN	29.05.2031		30,784	1.50
Mexico (United Mexican States) 7.75%	957,469,500	MXN	13.11.2042		45,632	2.22
Microchip Technology 5.05%	600,000	US\$	15.03.2029		556	0.03
Mizrahi Tefahot Bank FRN	400,000	US\$	07.04.2031		340	0.02
Mobico Group 4.875%	120,000	€	26.09.2031		119	0.01
Nasdaq 4.5%	100,000	€	15.02.2032		106	0.00
National Grid 4.275%	135,000	€	16.01.2035		139	0.01
National Grid Electricity Transmission 1.375%	300,000	£	16.09.2026		322	0.02
Nationwide Building Society FRN	267,000	£	07.12.2027		319	0.02
Nationwide Building Society FRN	175,000	€	25.07.2029		174	0.01
NatWest Group FRN	433,000	£	29.03.2029		476	0.02
NatWest Group FRN	300,000	US\$	18.05.2029		272	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
NatWest Group FRN	400,000	US\$	13.09.2029		376	0.02
NatWest Group FRN	210,000	€	14.09.2032		188	0.01
NBK Tier 1 FRN	800,000	US\$	31.12.2099		685	0.03
Nexa Resources 5.375%	670,000	US\$	04.05.2027		607	0.03
NextEra Energy Capital Holdings 1.9%	500,000	US\$	15.06.2028		410	0.02
NIBC Bank 0.25%	200,000	€	09.09.2026		184	0.01
NN Group FRN	300,000	€	01.03.2043		311	0.01
Norddeutsche Landesbank-Girozentrale 6.25%	400,000	US\$	10.04.2024		370	0.02
Norfolk Southern 5.05%	500,000	US\$	01.08.2030		465	0.02
Nova KBM FRN	500,000	€	03.04.2028		501	0.02
Novo Banco FRN	400,000	€	08.03.2028		399	0.02
OCI 3.625%	108,000	€	15.10.2025		107	0.00
OCI 6.7%	200,000	US\$	16.03.2033		184	0.01
P3 Group 4.625%	102,000	€	13.02.2030		103	0.00
Paramount Global 4.2%	140,000	US\$	19.05.2032		108	0.01
Pennsylvania Electric 5.15%	87,000	US\$	30.03.2026		80	0.00
Peru (Republic of) 2.4%	400,000	US\$	28.09.2027		332	0.02
Peru (Republic of) 5.35%	1,000,000	PEN	12.08.2040		201	0.01
Peugeot Invest 1.875%	100,000	€	30.10.2026		94	0.00
PPG Industries 2.75%	135,000	€	01.06.2029		131	0.01
Principality Building Society 8.625%	110,000	£	12.07.2028		140	0.01
Prosus 3.832%	1,800,000	US\$	08.02.2051		1,031	0.05
Public Service Enterprise Group 5.2%	400,000	US\$	01.04.2029		371	0.02
Raiffeisen Bank International FRN	100,000	€	21.08.2029		100	0.00
Raiffeisen Bank International FRN	100,000	€	12.03.2030		94	0.00
Raiffeisen Bank International FRN	200,000	€	17.06.2033		167	0.01
RCI Banque 3.75%	113,000	€	04.10.2027		113	0.01
Republic Services 5%	800,000	US\$	15.12.2033		735	0.04
Rizal Commercial Banking 5.5%	800,000	US\$	18.01.2029		746	0.04
RI Finance Bonds No. 3 6.125%	115,000	£	13.11.2028		137	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Rothsay Life 7.734%	190,000	£	16.05.2033		241	0.01
Sagax 1%	110,000	€	17.05.2029		95	0.00
Santander UK Group Holdings FRN	300,000	US\$	11.01.2028		255	0.01
Santander UK Group Holdings FRN	290,000	€	25.08.2028		289	0.01
Santander UK Group Holdings FRN	600,000	£	17.01.2029		628	0.03
Severn Trent Utilities Finance 4%	100,000	€	05.03.2034		101	0.00
Shinhan Bank 4.375%	400,000	US\$	13.04.2032		342	0.02
SK Hynix 2.375%	800,000	US\$	19.01.2031		610	0.03
Società Esercizi Aeroportuali 3.5%	195,000	€	09.10.2025		194	0.01
Société Générale FRN	100,000	£	22.01.2032		118	0.01
Société Générale FRN	300,000	US\$	21.01.2033		233	0.01
Société Générale FRN	205,000	US\$	15.06.2033		190	0.01
Sofina 1%	300,000	€	23.09.2028		264	0.01
Sogécap FRN	100,000	€	16.05.2044		112	0.01
Solvay 4.25%	100,000	€	03.10.2031		101	0.00
SSE FRN	111,000	€	31.12.2099		108	0.01
Stagecoach Group 4%	170,000	£	29.09.2025		193	0.01
Standard Chartered FRN	150,000	€	23.09.2031		137	0.01
Standard Chartered FRN	100,000	€	04.03.2032		101	0.00
Suez 5%	100,000	€	03.11.2032		109	0.01
SW Finance I 7%	243,000	£	16.04.2040		285	0.01
SW Finance I 7.375%	184,000	£	12.12.2041		227	0.01
Swedbank FRN	100,000	€	23.08.2032		98	0.00
Swedbank FRN	110,000	£	15.11.2032		134	0.01
Swiss Re Finance UK FRN	100,000	€	04.06.2052		89	0.00
Takeda Pharmaceutical 3.025%	360,000	US\$	09.07.2040		252	0.01
Tapestry 5.875%	135,000	€	27.11.2031		144	0.01
TDF Infrastructure 1.75%	300,000	€	01.12.2029		265	0.01
Teleperformance 5.75%	100,000	€	22.11.2031		105	0.00
Tesco FRN	1,028,000	£	05.11.2025		2,446	0.12

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Thames Water Utilities Finance 2.375%	400,000	£	22.04.2040		275	0.01
Thames Water Utilities Finance 7.75%	120,000	£	30.04.2044		141	0.01
Traton Finance Luxembourg 5.625%	100,000	£	16.01.2029		118	0.01
Travis Perkins 3.75%	200,000	£	17.02.2026		224	0.01
Tyson Foods 5.4%	600,000	US\$	15.03.2029		561	0.03
UniCredit FRN	480,000	€	16.06.2026		466	0.02
UniCredit FRN	500,000	€	17.01.2029		521	0.03
UNIQA Insurance Group FRN	200,000	€	09.12.2041		169	0.01
United Overseas Bank FRN	400,000	US\$	14.10.2031		339	0.02
Upjohn Finance 1.908%	445,000	€	23.06.2032		375	0.02
Uruguay (Republic of) 8.25%	20,000,000	UYU	21.05.2031		474	0.02
Vanke Real Estate Hong Kong 3.975%	400,000	US\$	09.11.2027		190	0.01
Vår Energi 5.5%	215,000	€	04.05.2029		228	0.01
Verizon Communications 2.1%	1,450,000	US\$	22.03.2028		1,210	0.06
Verizon Communications 2.55%	400,000	US\$	21.03.2031		316	0.02
Verizon Communications 2.65%	220,000	US\$	20.11.2040		144	0.01
Verizon Communications 3.5%	347,000	€	28.06.2032		347	0.02
Vier Gas Transport 4.625%	200,000	€	26.09.2032		214	0.01
Virgin Money FRN	270,000	£	19.08.2031		293	0.01
Viterra Finance 1%	210,000	€	24.09.2028		187	0.01
Volkswagen International Finance FRN	400,000	€	31.12.2099		390	0.02
Vonovia 0.625%	100,000	€	24.03.2031		80	0.00
Vonovia 5%	100,000	€	23.11.2030		105	0.00
Warnermedia Holdings 5.05%	480,000	US\$	15.03.2042		382	0.02
Warnermedia Holdings 5.141%	450,000	US\$	15.03.2052		346	0.02
Wells Fargo FRN	375,000	US\$	30.04.2026		335	0.02
Wells Fargo FRN	500,000	US\$	25.07.2029		469	0.02
Wells Fargo FRN	195,000	€	04.05.2030		178	0.01
Wells Fargo FRN	200,000	US\$	04.04.2031		178	0.01
Wells Fargo FRN	53,000	US\$	25.07.2033		47	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Westlake Chemical 1.625%	205,000	€	17.07.2029		184	0.01
Westpac Banking FRN	150,000	€	13.05.2031		139	0.01
Weyerhaeuser 4%	1,000,000	US\$	15.11.2029		875	0.04
Whitbread Group 2.375%	120,000	£	31.05.2027		128	0.01
Worldline 4.125%	400,000	€	12.09.2028		395	0.02
Yara International 7.378%	70,000	US\$	14.11.2032		72	0.00
Zimmer Biomet Holdings 1.164%	270,000	€	15.11.2027		249	0.01
<b>'BB' credit rated bonds</b>					<b>159,887</b>	<b>7.78</b>
Abertis Infraestructuras Finance FRN	200,000	€	31.12.2099		194	0.01
Aegea Finance 9%	450,000	US\$	20.01.2031		442	0.02
AIB Group FRN	200,000	€	31.12.2099		199	0.01
Albertsons Companies Via Safeway Via New Albertsons Via Albertsons 4.875%	231,000	US\$	15.02.2030		204	0.01
Ambipar Lux 9.875%	400,000	US\$	06.02.2031		371	0.02
America Movil 5.375%	200,000	US\$	04.04.2032		173	0.01
ams OSRAM 10.5%	179,000	€	30.03.2029		178	0.01
Arcelik 8.5%	400,000	US\$	25.09.2028		387	0.02
Ardagh Metal Packaging Finance 2%	185,000	€	01.09.2028		158	0.01
AT&T FRN	100,000	€	31.12.2099		98	0.00
ATP Tower Holdings Via Andean Tower Partners Colombia Via Andean Telecom Partner 4.05%	700,000	US\$	27.04.2026		613	0.03
Avantor Funding 3.875%	150,000	€	15.07.2028		146	0.01
Avis Budget Finance 7.25%	220,000	€	31.07.2030		220	0.01
Azerbaijan (Republic of) 3.5%	232,000	US\$	01.09.2032		183	0.01
Banca Transilvania FRN	278,000	€	27.04.2027		295	0.01
Banco Bilbao Vizcaya Argentaria FRN	200,000	€	31.12.2099		200	0.01
Banco BPM FRN	215,000	€	14.06.2028		227	0.01
Banco de Crédito e Inversiones FRN	1,141,000	US\$	31.12.2099		1,093	0.05
Banco de Crédito Social Cooperativo FRN	200,000	€	14.09.2029		221	0.01
Banco de Sabadell FRN	300,000	€	16.08.2033		310	0.01
Banco Nacional de Comercio Exterior FRN	1,000,000	US\$	11.08.2031		830	0.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Banco Santander FRN	200,000	€	31.12.2099		192	0.01
Bancolombia FRN	400,000	US\$	18.12.2029		361	0.02
Bangkok Bank FRN	800,000	US\$	25.09.2034		661	0.03
Bank Muscat 4.75%	400,000	US\$	17.03.2026		363	0.02
Bank of Ireland Group FRN	195,000	€	11.08.2031		182	0.01
Barclays FRN	200,000	US\$	31.12.2099		185	0.01
Bayer FRN	100,000	€	25.09.2083		101	0.00
BBVA Bancomer FRN	400,000	US\$	18.01.2033		344	0.02
BBVA Bancomer FRN	400,000	US\$	29.06.2038		392	0.02
BBVA Bancomer FRN	800,000	US\$	08.01.2039		769	0.04
Belden 3.375%	100,000	€	15.07.2031		93	0.00
Belfius Bank FRN	200,000	€	31.12.2099		186	0.01
Benteler International 9.375%	275,000	€	15.05.2028		297	0.01
Bidvest Group 3.625%	365,000	US\$	23.09.2026		316	0.01
Bioceanico Sovereign Certificate 0%	867,740	US\$	05.06.2034		592	0.03
Brazil (Federal Republic of) 6.125%	496,000	US\$	15.03.2034		456	0.02
Brazil (Federal Republic of) 10%	1,767,000	BRL	01.01.2029		321	0.02
Brazil (Federal Republic of) 10%	168,500,000	BRL	01.01.2031		30,077	1.46
Brazil (Federal Republic of) 10%	166,200,000	BRL	01.01.2033		29,432	1.43
British Telecommunications FRN	150,000	£	20.12.2083		188	0.01
Caixa Económica Montepio Geral, Caixa Económica Bancária FRN	100,000	€	12.06.2034		103	0.00
CaixaBank FRN	200,000	€	31.12.2099		192	0.01
Canary Wharf Group Investment Holdings 3.375%	300,000	£	23.04.2028		260	0.01
Canpack Via Canpack US 3.875%	300,000	US\$	15.11.2029		246	0.01
Castellum FRN	220,000	€	31.12.2099		195	0.01
CCO Holdings Via CCO Holdings Capital 4.5%	126,000	US\$	15.08.2030		98	0.00
Cemex 3.875%	400,000	US\$	11.07.2031		329	0.02
Colombia (Republic of) 3.125%	200,000	US\$	15.04.2031		148	0.01
Colombia (Republic of) 6.125%	400,000	US\$	18.01.2041		321	0.02
Colombia (Republic of) 8%	338,000	US\$	20.04.2033		332	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Commerzbank FRN	200,000	€	29.12.2031		182	0.01
Commerzbank FRN	100,000	£	28.02.2033		125	0.01
Commerzbank FRN	100,000	€	05.10.2033		108	0.00
Continuum Energy Levanter 4.5%	297,063	US\$	09.02.2027		267	0.01
ContourGlobal Power Holdings 3.125%	100,000	€	01.01.2028		93	0.00
Co-operative Bank Holdings FRN	130,000	£	27.11.2025		155	0.01
Co-operative Group Holdings 7.5%	175,000	£	08.07.2026		205	0.01
CPI Property Group FRN	265,000	€	25.07.2028		136	0.01
CPI Property Group FRN	110,000	€	31.12.2099		66	0.00
Daily Mail & General Trust 6.375%	100,000	£	21.06.2027		112	0.00
Dana Financing Luxembourg 8.5%	200,000	€	15.07.2031		221	0.01
Deutsche Bank FRN	200,000	€	30.04.2027		173	0.01
DIRECTV Holdings Via DIRECTV Financing 5.875%	194,000	US\$	15.08.2027		170	0.01
Dominican (Republic of) 6.4%	600,000	US\$	05.06.2049		524	0.03
Dominican (Republic of) 8%	10,000,000	DOP	15.01.2027		147	0.01
Dominican (Republic of) 8%	10,000,000	DOP	12.02.2027		146	0.01
Eastern & Southern African Trade & Development Bank 4.125%	1,000,000	US\$	30.06.2028		811	0.04
Ecopetrol 5.875%	250,000	US\$	02.11.2051		167	0.01
Ecopetrol 6.875%	400,000	US\$	29.04.2030		362	0.02
EDP – Energias de Portugal FRN	100,000	€	20.07.2080		96	0.00
EDP – Energias de Portugal FRN	100,000	€	02.08.2081		94	0.00
Encore Capital Group 5.375%	200,000	£	15.02.2026		229	0.01
Enel FRN	335,000	€	31.12.2099		299	0.01
Energean Israel Finance 4.875%	160,584	US\$	30.03.2026		141	0.01
Energean Israel Finance 8.5%	296,296	US\$	30.09.2033		272	0.01
Eramet 7%	800,000	€	22.05.2028		804	0.04
Eurobank FRN	170,000	€	26.01.2029		185	0.01
Forvia 3.75%	115,000	€	15.06.2028		112	0.00
Globo Comunicação e Participações 5.5%	489,000	US\$	14.01.2032		395	0.02
Grünenthal 4.125%	100,000	€	15.05.2028		97	0.00

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Grupo KUO 5.75%	696,000	US\$	07.07.2027		609	0.03
GTC Aurora Luxembourg 2.25%	127,000	€	23.06.2026		109	0.00
Heimstaden Bostad FRN	230,000	€	31.12.2099		137	0.01
Heimstaden Bostad FRN	225,000	€	31.12.2099		137	0.01
IHO Verwaltungs 8.75%	100,000	€	15.05.2028		109	0.00
INEOS Quattro Finance 2 8.5%	230,000	€	15.03.2029		243	0.01
InRetail Consumer 3.25%	200,000	US\$	22.03.2028		166	0.01
Intesa Sanpaolo FRN	200,000	US\$	01.06.2032		155	0.01
Intrum 3.5%	210,000	€	15.07.2026		137	0.01
IQVIA 2.25%	125,000	€	15.03.2029		113	0.01
Jollibee Worldwide 4.75%	400,000	US\$	24.06.2030		355	0.02
Julius Baer Group FRN	200,000	€	31.12.2099		193	0.01
Kasikornbank FRN	400,000	US\$	02.10.2031		345	0.02
Kennedy Wilson Europe Real Estate 3.25%	300,000	€	12.11.2025		283	0.01
Klabin Austria 3.2%	200,000	US\$	12.01.2031		157	0.01
LeasePlan FRN	200,000	€	31.12.2099		200	0.01
Liberty Mutual Group FRN	100,000	€	23.05.2059		100	0.00
Lloyds Banking Group FRN	200,000	£	31.12.2099		230	0.01
Lorca Telecom Bondco 4%	160,000	€	18.09.2027		156	0.01
Macedonia (Republic of) 1.625%	100,000	€	10.03.2028		87	0.00
Macy's Retail Holdings 5.875%	420,000	US\$	01.04.2029		382	0.02
MAF Global Securities FRN	400,000	US\$	31.12.2099		389	0.02
MAF Global Securities 6.375%	600,000	US\$	31.12.2099		554	0.03
Mahle 2.375%	300,000	€	14.05.2028		263	0.01
mBank FRN	500,000	€	11.09.2027		532	0.03
Metalsa 3.75%	500,000	US\$	04.05.2031		375	0.02
Millicom International Cellular 4.5%	800,000	US\$	27.04.2031		637	0.03
Millicom International Cellular 5.125%	360,000	US\$	15.01.2028		318	0.02
Minerva Luxembourg 8.875%	454,000	US\$	13.09.2033		445	0.02
Minsur 4.5%	500,000	US\$	28.10.2031		407	0.02

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Mobico Group FRN	100,000	£	31.12.2099		108	0.00
MPT Operating Partnership Via MPT Finance 0.993%	367,000	€	15.10.2026		295	0.01
National Bank of Greece FRN	200,000	£	02.06.2027		247	0.01
National Bank of Greece FRN	325,000	€	29.01.2029		326	0.02
National Bank of Greece FRN	135,000	€	03.01.2034		147	0.01
Nationwide Building Society FRN	200,000	£	31.12.2099		232	0.01
Natura Cosméticos 4.125%	400,000	US\$	03.05.2028		339	0.02
Naturgy Finance FRN	300,000	€	31.12.2099		281	0.01
Neptune Energy Bondco 6.625%	200,000	US\$	15.05.2025		185	0.01
Network i2i FRN	600,000	US\$	31.12.2099		552	0.03
Nomad Foods Bondco 2.5%	250,000	€	24.06.2028		234	0.01
Novo Banco FRN	100,000	€	01.12.2033		116	0.01
Oman (Sultanate of) 6.5%	380,000	US\$	08.03.2047		356	0.02
Organon & Co Via Organon Foreign Debt Co-Issuer 2.875%	220,000	€	30.04.2028		205	0.01
Ørsted FRN	180,000	€	31.12.2099		143	0.01
OTP Bank FRN	400,000	US\$	15.05.2033		386	0.02
Paprec Holding 3.5%	200,000	€	01.07.2028		191	0.01
Paraguay (Republic of) 5.85%	400,000	US\$	21.08.2033		372	0.02
Paramount Global FRN	226,000	US\$	30.03.2062		194	0.01
Permanent TSB Group Holdings FRN	216,000	€	25.04.2028		230	0.01
Permanent TSB Group Holdings FRN	170,000	€	19.08.2031		161	0.01
Pinewood Finance 3.625%	225,000	£	15.11.2027		247	0.01
Piraeus Bank FRN	419,000	€	05.12.2029		450	0.02
RCI Banque FRN	200,000	€	18.02.2030		196	0.01
Rede D'Ór Finance 4.5%	300,000	US\$	22.01.2030		252	0.01
Rolls-Royce 1.625%	200,000	€	09.05.2028		183	0.01
Sagicor Financial 5.3%	600,000	US\$	13.05.2028		537	0.03
Sappi Papier Holding 3.625%	120,000	€	15.03.2028		116	0.01
SASOL Financing 8.75%	200,000	US\$	03.05.2029		189	0.01
Serbia (Republic of) 1.5%	300,000	€	26.06.2029		254	0.01

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
SES FRN	125,000	€	31.12.2099		118	0.01
South Africa (Republic of) 5.75%	800,000	US\$	30.09.2049		534	0.03
South Africa (Republic of) 7%	582,600,000	ZAR	28.02.2031		22,823	1.11
South Africa (Republic of) 8.5%	6,000,000	ZAR	31.01.2037		215	0.01
South Africa (Republic of) 8.875%	804,000,000	ZAR	28.02.2035		31,165	1.52
Southern Gas Corridor 6.875%	400,000	US\$	24.03.2026		376	0.02
Telefónica Celular del Paraguay 5.875%	450,000	US\$	15.04.2027		407	0.02
Telefónica Europe FRN	100,000	€	31.12.2099		94	0.00
Telefónica Europe FRN	200,000	€	31.12.2099		208	0.01
Tereos Finance Groupe I 7.25%	155,000	€	15.04.2028		164	0.01
Teva Pharmaceutical Finance Netherlands II 7.375%	210,000	€	15.09.2029		233	0.01
Teva Pharmaceutical Finance Netherlands III 4.1%	1,600,000	US\$	01.10.2046		1,019	0.05
Teva Pharmaceutical Finance Netherlands III 7.875%	450,000	US\$	15.09.2029		448	0.02
Triodos Bank FRN	300,000	€	05.02.2032		248	0.01
UEP Penonome II 6.5%	352,170	US\$	01.10.2038		258	0.01
Unicaja Banco FRN	200,000	€	15.11.2027		214	0.01
Unicaja Banco FRN	100,000	€	11.09.2028		106	0.00
UniCredit FRN	200,000	€	15.01.2032		190	0.01
UniCredit FRN	200,000	US\$	03.04.2049		186	0.01
UniCredit FRN	200,000	€	31.12.2099		198	0.01
Uzbekistan (Republic of) 4.85%	750,000	US\$	21.10.2025		673	0.03
Valeo 5.375%	200,000	€	28.05.2027		207	0.01
Vallourec 8.5%	178,000	€	30.06.2026		180	0.01
VEON Holdings 6.3%	29,000,000	RUB	18.06.2025		228	0.01
Videotron 5.125%	353,000	US\$	15.04.2027		322	0.02
Vivion Investments 7.9%	161,120	€	31.08.2028		136	0.01
Vivo Energy Investments 5.125%	364,000	US\$	24.09.2027		322	0.02
Vodafone Group FRN	150,000	€	03.10.2078		147	0.01
Vodafone Group FRN	110,000	€	27.08.2080		99	0.00
WE Soda Investments Holding 9.5%	600,000	US\$	06.10.2028		578	0.03

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Wintershall Dea Finance FRN	200,000	€	31.12.2099		185	0.01
ZF Europe Finance 2.5%	100,000	€	23.10.2027		94	0.00
ZF Finance 3.75%	100,000	€	21.09.2028		97	0.00
<b>'B' credit rated bonds</b>					<b>10,355</b>	<b>0.50</b>
AA Bond 6.5%	100,000	£	31.01.2026		116	0.00
Absa Group FRN	200,000	US\$	31.12.2099		179	0.01
Akbank 6.8%	400,000	US\$	06.02.2026		373	0.02
Aydem Yenilenebilir Enerji 7.75%	594,000	US\$	02.02.2027		532	0.02
Banco Davivienda FRN	800,000	US\$	31.12.2099		523	0.02
Banco de Crédito Social Cooperativo FRN	200,000	€	27.11.2031		193	0.01
Boxer Parent 6.5%	200,000	€	02.10.2025		200	0.01
Catalent Pharma Solutions 2.375%	200,000	€	01.03.2028		191	0.01
Continuum Energy Aura 9.5%	400,000	US\$	24.02.2027		386	0.02
CPUK Finance 6.5%	162,000	£	28.08.2026		188	0.01
Delhi International Airport 6.125%	400,000	US\$	31.10.2026		368	0.02
Électricité de France FRN	200,000	€	31.12.2099		175	0.01
Energo-Pro 11%	400,000	US\$	02.11.2028		405	0.02
Eskom Holdings 7.125%	400,000	US\$	11.02.2025		369	0.02
First Quantum Minerals 9.375%	200,000	US\$	01.03.2029		193	0.01
Heimstaden 4.375%	200,000	€	06.03.2027		124	0.01
Herbalife Nutrition Via HLF Financing 7.875%	190,000	US\$	01.09.2025		176	0.01
Iceland Bondco 10.875%	215,000	£	15.12.2027		266	0.01
IHS Holding 5.625%	600,000	US\$	29.11.2026		519	0.02
IHS Holding 6.25%	600,000	US\$	29.11.2028		489	0.02
International Design Group 10%	125,000	€	15.11.2028		130	0.01
IPD 3 8%	175,000	€	15.06.2028		186	0.01
Kosmos Energy 7.125%	450,000	US\$	04.04.2026		412	0.02
LCPR Senior Secured Financing 6.75%	200,000	US\$	15.10.2027		174	0.01
Liberty Costa Rica Senior Secured Finance 10.875%	600,000	US\$	15.01.2031		586	0.03
Multiversity FRN	180,000	€	30.10.2028		181	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Nidda Healthcare Holding 7.5%	175,000	€	21.08.2026		181	0.01
Ocado Group 3.875%	186,000	£	08.10.2026		196	0.01
Olympus Water US Holding 9.625%	200,000	€	15.11.2028		215	0.01
Punch Finance 6.125%	185,000	£	30.06.2026		210	0.01
Summer (BC) Holdco B 5.75%	215,000	€	31.10.2026		211	0.01
Türkiye Sinai Kalkinma Bankasi 9.375%	400,000	US\$	19.10.2028		397	0.02
Vmed O2 UK Financing I 4%	180,000	£	31.01.2029		186	0.01
VZ Vendor Financing II 2.875%	270,000	€	15.01.2029		234	0.01
WEPA Hygieneprodukte 5.625%	100,000	€	15.01.2031		101	0.00
Yapi ve Kredi Bankasi 9.25%	800,000	US\$	16.10.2028		790	0.04
<b>'CCC' credit rated bonds</b>					<b>1,849</b>	<b>0.09</b>
Argentina (Republic of) 1.5%	1,200,000	US\$	09.07.2035		467	0.02
Casino Guichard Perrachon 4.048%	100,000	€	05.08.2026		1	0.00
Casino Guichard Perrachon 6.625%	160,000	€	15.01.2026		2	0.00
DEMIRE Deutsche Mittelstand Real Estate 1.875%	100,000	€	15.10.2024		66	0.00
Kenbourne Invest 4.7%	464,000	US\$	22.01.2028		157	0.01
Oriflame Investment Holding 5.125%	367,000	US\$	04.05.2026		92	0.01
SBB Treasury 1.125%	150,000	€	26.11.2029		86	0.00
Sigma Holdco 5.75%	215,000	€	15.05.2026		204	0.01
Thames Water Kemble Finance 4.625%	430,000	£	19.05.2026		88	0.00
TK Elevator Holdco 6.625%	90,000	€	15.07.2028		87	0.00
Triton Water Holdings 6.25%	150,000	US\$	01.04.2029		127	0.01
Ukraine (Republic of) 7.75%	300,000	US\$	01.09.2027		94	0.01
VTR Comunicaciones 4.375%	300,000	US\$	15.04.2029		193	0.01
WP/AP Telecom Holdings III 5.5%	200,000	€	15.01.2030		185	0.01
<b>'C' credit rated bonds</b>					<b>417</b>	<b>0.02</b>
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	300,000	US\$	08.11.2028		169	0.01
Samhällsbyggnadsbolaget i Norden FRN	100,000	€	31.12.2099		24	0.00
Samhällsbyggnadsbolaget i Norden FRN	565,000	€	31.12.2099		135	0.01
Samhällsbyggnadsbolaget i Norden FRN	362,000	€	31.12.2099		89	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'D' credit rated bonds</b>					<b>138</b>	<b>0.01</b>
Easy Tactic 6.5%	232,588	US\$	11.07.2028		8	0.00
EnBW Energie Baden-Württemberg FRN	100,000	€	29.06.2080		95	0.01
GTLK Europe Capital 4.65% <sup>a</sup>	200,000	US\$	10.03.2027		0	0.00
GTLK Europe Capital 5.125% <sup>a</sup>	400,000	US\$	31.05.2024		0	0.00
Sovcombank Via SovCom Capital FRN <sup>a</sup>	269,000	US\$	07.04.2030		0	0.00
Yuzhou Group Holdings 7.375% <sup>c</sup>	371,000	US\$	13.01.2026		19	0.00
Yuzhou Group Holdings 8.3% <sup>c</sup>	300,000	US\$	27.05.2025		16	0.00
<b>Bonds with no credit rating</b>					<b>1,192</b>	<b>0.06</b>
Alinma Bank FRN	538,000	US\$	31.12.2099		504	0.03
ALROSA Finance 3.1% <sup>a</sup>	640,000	US\$	25.06.2027		0	0.00
Emirates NBD Bank FRN	800,000	US\$	31.12.2099		688	0.03
<b>Debt derivatives</b>					<b>3,244</b>	<b>0.16</b>
<b>Credit default swaps</b>					<b>22</b>	<b>0.00</b>
America Movil Dec 2025	1,250,000	US\$		1,159	13	0.00
Deutsche Bank Jun 2026	520,000	€		52,000	(6)	0.00
Vodafone Group Jun 2028	750,000	€		750	15	0.00
<b>Interest rate swaps</b>					<b>199</b>	<b>0.01</b>
Pay Var. Receive 4.0356% Mar 2028	1,500,000	£		1,754	1	0.00
Pay 3.7207% Receive Var. Jan 2029	2,600,000	US\$		2,411	40	0.00
Pay Var. Receive 3.8557% Mar 2029	2,000,000	£		2,339	(2)	0.00
Pay Var. Receive 3.8141% Mar 2029	2,000,000	£		2,339	(6)	0.00
Pay 2.0547% Receive Var. Apr 2029	1,100,000	£		1,287	141	0.01
Pay 3.6737% Receive Var. Jan 2034	1,400,000	US\$		1,298	25	0.00
<b>Interest rate futures</b>					<b>3,023</b>	<b>0.15</b>
Deutscher Bobl 5 year Futures	(91)	€	06.06.2024	90	(27)	0.00
Deutscher Bund 10 year Futures	(43)	€	06.06.2024	43	(46)	0.00
Deutscher Buxl 30 year Futures	(3)	€	06.06.2024	2	(9)	0.00
Deutscher Schatz 2 year Futures	59	€	06.06.2024	59	(16)	0.00
US Treasury Notes 10 year Futures	(34)	US\$	18.06.2024	32	(1)	0.00
US Treasury Notes 10 year Futures	2	US\$	18.06.2024	2	0	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Interest rate futures</b> (continued)						
US Treasury Notes 30 year Futures	10	US\$	18.06.2024	10	7	0.00
US Ultra Bond Futures	2,068	US\$	18.06.2024	2,049	807	0.04
Canada Government Bonds 10 year Futures	29	CA\$	19.06.2024	18	0	0.00
UK Treasury Notes Futures	840	£	26.06.2024	1,003	2,330	0.11
US Treasury Notes 2 year Futures	69	US\$	28.06.2024	128	(19)	0.00
US Treasury Notes 5 year Futures	(82)	US\$	28.06.2024	76	(3)	0.00
<b>Currency</b>					<b>(947)</b>	<b>(0.05)</b>
<b>Forward currency contracts</b>					<b>(947)</b>	<b>(0.05)</b>
Bought for € 1,149,620.06, Sold for US\$ 1,245,885.65			03.04.2024	1,155	(6)	0.00
Bought for £ 517,306.83, Sold for US\$ 655,710.41			03.04.2024	1,213	(3)	0.00
Bought for US\$ 22,616,347.09, Sold for € 20,809,029.50			03.04.2024	20,971	163	0.01
Bought for US\$ 17,193,107.24, Sold for £ 13,560,207.85			03.04.2024	31,800	84	0.00
Bought for CLP 185,000,000.00, Sold for US\$ 187,493.67			10.04.2024	348	0	0.00
Bought for CNY 92,891,044.97, Sold for US\$ 13,062,024.58			11.04.2024	24,030	7	0.00
Bought for € 12,765,528.77, Sold for £ 10,918,950.35			11.04.2024	12,770	(1)	0.00
Bought for € 7,735,203.33, Sold for US\$ 8,467,489.64			11.04.2024	7,852	(114)	(0.01)
Bought for £ 462,486.08, Sold for € 538,775.63			11.04.2024	541	2	0.00
Bought for US\$ 112,926,719.22, Sold for CNY 800,311,659.09			11.04.2024	207,389	302	0.01
Bought for US\$ 676,782.45, Sold for € 624,571.52			11.04.2024	628	3	0.00
Bought for KRW 26,563,817,395.00, Sold for US\$ 19,949,545.56			23.04.2024	36,795	(258)	(0.01)
Bought for € 117,359,967.66, Sold for £ 100,327,398.19			30.04.2024	117,333	138	0.01
Bought for € 13,117,107.46, Sold for HK\$ 109,843,759.71			30.04.2024	13,017	103	0.01
Bought for € 33,064,492.23, Sold for ¥ 5,257,857,831.00			30.04.2024	32,209	769	0.04
Bought for € 52,018,092.33, Sold for MXN 985,301,059.95			30.04.2024	55,108	(2,798)	(0.14)
Bought for € 255,187,497.30, Sold for US\$ 277,299,493.94			30.04.2024	257,128	(1,661)	(0.08)
Bought for £ 8,864,830.34, Sold for € 10,333,379.19			30.04.2024	10,367	24	0.00
Bought for US\$ 19,009,136.29, Sold for € 17,345,075.74			30.04.2024	17,626	262	0.01
Bought for US\$ 66,414,225.94, Sold for TW\$ 2,054,391,251.00			30.04.2024	121,106	2,017	0.10
Bought for US\$ 2,716,109.70, Sold for € 2,492,232.25			29.05.2024	2,519	20	0.00
<b>Portfolio of investments</b>					<b>1,855,628</b>	<b>90.28</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Share class hedging</b>					<b>298</b>	<b>0.02</b>
Bought for AU\$ 199,966.10, Sold for € 120,559.70			24.04.2024	121	0	0.00
Bought for CHF 7,192,793.17, Sold for € 7,411,873.37			24.04.2024	7,364	(37)	0.00
Bought for € 95.71, Sold for AU\$ 158.73			24.04.2024	0	0	0.00
Bought for € 149,091.81, Sold for CHF 144,672.85			24.04.2024	148	1	0.00
Bought for € 6,367.94, Sold for £ 5,461.40			24.04.2024	6	0	0.00
Bought for £ 5,178,379.23, Sold for € 6,036,708.79			24.04.2024	6,057	15	0.00
Bought for HK\$ 1,176,854.50, Sold for € 138,849.77			24.04.2024	139	0	0.00
Bought for SG\$ 42,000.83, Sold for € 28,829.03			24.04.2024	28	0	0.00
Bought for US\$ 75,074,294.41, Sold for € 69,236,079.37			24.04.2024	69,613	319	0.02
<b>Total portfolio</b>					<b>1,855,926</b>	<b>90.30</b>
Net other assets/(liabilities)					199,515	9.70
<b>Net assets</b>					<b>2,055,441</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Equity securities	376,956	18.35
Equity portfolios	60,538	2.94
Bond portfolios	46,688	2.27
Debt securities	1,351,459	65.75
Swap contracts	235	0.01
Unrealised gains on futures contracts	23,137	1.12
Unrealised gains on forward currency contracts	4,229	0.21
<b>Total Investment assets</b>	<b>1,863,242</b>	<b>90.65</b>
<b>Investment liabilities</b>		
Swap contracts	(14)	0.00
Unrealised losses on futures contracts	(2,424)	(0.11)
Unrealised losses on forward currency contracts	(4,878)	(0.24)
<b>Total Investment liabilities</b>	<b>(7,316)</b>	<b>(0.35)</b>
<b>Total portfolio</b>	<b>1,855,926</b>	<b>90.30</b>
<b>Net other assets/(liabilities)</b>	<b>199,515</b>	<b>9.70</b>
<b>Net assets</b>	<b>2,055,441</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> Crossholding (see note 11).

<sup>c</sup> Defaulted bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Bank of America Merrill Lynch	0	0	23,136	0
Barclays Bank London	219	2,017	0	2,152
BNP Paribas	9	0	0	0
Citigroup Global Markets Limited	0	377	0	0
Goldman Sachs International	0	3	0	0
HSBC Bank Plc	0	537	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	48	0	2,036
National Australia Bank Ltd	0	18	0	0
Standard Chartered Bank	0	439	0	0
State Street Bank and Trust Company	0	335	0	0
State Street Bank and Trust Company, London Branch	0	232	0	0
UBS AG London	0	222	0	0

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Australian dollar</b>						
Class 'A-H' Accumulation	+7.4	+4.2	n/a	+3.3	n/a	08.04.19
Class 'A-H M' Distribution	+7.4	+4.2	n/a	+3.2	n/a	08.04.19
Class 'C-H' Accumulation	+8.4	+5.2	n/a	+4.3	n/a	08.04.19
Class 'C-H M' Distribution	+8.5	+5.3	n/a	+4.3	n/a	08.04.19
<b>Euro</b>						
Class 'A' Accumulation	+7.1	+3.4	+3.3	+4.3	03.12.09	16.01.18
Class 'A' Distribution	+7.1	+3.4	+3.3	+3.7	12.07.13	16.01.18
Class 'B' Accumulation	+6.5	+2.9	+2.8	+3.2	26.07.13	16.01.18
Class 'C' Accumulation	+8.1	+4.5	+4.4	+5.3	03.12.09	16.01.18
Class 'C' Distribution	+8.1	+4.5	+4.4	+4.6	08.08.14	16.01.18
Class 'CI' Accumulation	+8.2	+4.5	+4.4	+5.3	03.12.09	16.01.18
Class 'JI' Accumulation	+8.3	+4.7	+4.6	+4.2	n/a	26.02.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Hong Kong dollar</b>						
Class 'A-H' Accumulation	+8.2	+4.8	n/a	+4.5	n/a	08.04.19
Class 'A-H M' Distribution	+8.1	+4.8	n/a	+4.5	n/a	08.04.19
Class 'C-H' Accumulation	+9.3	+5.8	n/a	+5.5	n/a	08.04.19
Class 'C-H M' Distribution	+9.2	+5.8	n/a	+5.5	n/a	08.04.19
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	n/a	n/a	n/a	+7.2 <sup>b</sup>	n/a	30.05.23
Class 'A-H M' Distribution	n/a	n/a	n/a	+7.2 <sup>b</sup>	n/a	30.05.23
<b>Sterling</b>						
Class 'A-H' Accumulation	+8.4	+4.6	n/a	+4.0	n/a	05.07.19
Class 'A-H' Distribution	+8.4	+4.7	n/a	+4.1	n/a	05.07.19
Class 'C-H' Accumulation	+9.5	+5.7	+5.3	+5.2	14.12.15	16.01.18
Class 'C-H' Distribution	+9.5	+5.7	+5.3	+5.2	14.12.15	16.01.18
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+4.8	+2.4	+2.6	+1.7	05.06.15	16.01.18
Class 'C-H' Accumulation	+5.9	+3.4	+3.6	+2.6	05.06.15	16.01.18
<b>US dollar</b>						
Class 'A-H' Accumulation	+9.1	+5.4	+5.3	+4.1	05.06.15	16.01.18
Class 'A-H' Distribution	+9.1	+5.4	+5.3	+4.2	05.06.15	16.01.18
Class 'A-H M' Distribution	n/a	n/a	n/a	+8.8 <sup>b</sup>	n/a	30.05.23
Class 'A-H M F4' Distribution	+9.1	+5.4	+5.3	+3.8	05.06.15	01.02.18
Class 'C-H' Accumulation	+10.3	+6.4	+6.3	+5.1	05.06.15	16.01.18
Class 'C-H' Distribution	+10.1	+6.5	+6.3	+5.2	05.06.15	16.01.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 16 January 2018 is that of the relevant Merged Share Class of the M&G Dynamic Allocation Fund, which includes UK taxes but excludes entry and exit charges. The M&G Dynamic Allocation Fund is a UK authorised sub-fund which launched on 3 December 2009 and its non-Sterling share classes merged into M&G (Lux) Dynamic Allocation Fund on 16 March 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Australian dollar</b>		<b>AU\$</b>	<b>AU\$</b>	<b>AU\$</b>	
Class 'A-H' Accumulation	4,464.000	11.7332	10.9261	10.7613	2.00
Class 'A-H M' Distribution	4,465.000	10.3854	10.0827	10.2123	2.00
Class 'C-H' Accumulation	4,466.000	12.3176	11.3605	11.0745	1.02
Class 'C-H M' Distribution	4,467.000	10.9349	10.5110	10.5362	1.00
<b>Euro</b>		<b>€</b>	<b>€</b>	<b>€</b>	
Class 'A' Accumulation	106,093,054.938	10.7490	10.0400	10.0159	1.99
Class 'A' Distribution	8,884,720.846	9.4301	9.1743	9.3891	1.99
Class 'B' Accumulation	10,733,152.116	10.4211	9.7821	9.8076	2.49
Class 'C' Accumulation	17,062,350.122	11.4383	10.5783	10.4478	1.00
Class 'C' Distribution	373,998.079	10.0368	9.6674	9.7937	1.00
Class 'CI' Accumulation	26,215,728.739	11.4661	10.6001	10.4656	0.96
Class 'JI' Accumulation	10,985,967.107	12.3764	11.4246	11.2627	0.81
<b>Hong Kong dollar</b>		<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	
Class 'A-H' Accumulation	2,479.200	124.4206	115.0068	112.5715	2.02
Class 'A-H M' Distribution	2,479.300	110.2852	106.3814	106.9743	2.02
Class 'C-H' Accumulation	2,479.400	130.6988	119.6164	116.0403	1.02
Class 'C-H M' Distribution	2,479.500	115.8680	110.6301	110.2885	1.02
<b>Singapore dollar</b>		<b>SG\$</b>	<b>SG\$</b>	<b>SG\$</b>	
Class 'A-H' Accumulation	2,000.000	10.7172	n/a	n/a	2.07
Class 'A-H M' Distribution	2,001.000	10.3863	n/a	n/a	2.03
<b>Sterling</b>		<b>£</b>	<b>£</b>	<b>£</b>	
Class 'A-H' Accumulation	12,504.433	12.0672	11.1320	10.9413	2.01
Class 'A-H' Distribution	2,405.000	10.8546	10.4237	10.5032	2.00
Class 'C-H' Accumulation	415,460.016	12.1285	11.0763	10.7708	1.02
Class 'C-H' Distribution	2,465.000	10.6279	10.1066	10.0849	1.01

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A-H' Accumulation	38,351,252	10.3366	9.8624	9.9036	2.02
Class 'C-H' Accumulation	614,546,794	11.0101	10.4000	10.3407	1.02
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A-H' Accumulation	2,711,483,130	12.2192	11.2051	10.8669	2.02
Class 'A-H' Distribution	266,137,851	10.7511	10.2634	10.2021	2.01
Class 'A-H M' Distribution	2,000,000	10.5384	n/a	n/a	2.02
Class 'A-H M F4' Distribution	107,044,954	9.5334	9.0928	9.1851	2.02
Class 'C-H' Accumulation	2,963,476,215	13.0073	11.7979	11.3408	1.02
Class 'C-H' Distribution	8,876,457	11.4276	10.8010	10.6306	1.01

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	2,055,441	2,235,929	2,394,240
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>2,055,441</b>	<b>2,235,929</b>	<b>2,394,240</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Emerging market (EM) debt posted solid returns during the review period, largely due to a powerful year-end rally in the fourth quarter of 2023 amid market expectations of interest rate cuts in developed markets (DM).

EMs, however, continue to be ahead of DM central banks in terms of their monetary easing cycle. After increasing their interest rates early to combat inflation, well ahead of their DM peers, EMs have embarked on reducing interest rates, and in some cases, quite aggressively.

Despite markets scaling back their expectations for rate cuts in 2024 of late, EM debt, notably the hard currency segment, recovered amid a broad risk-on environment. High yield (HY) bonds outperformed investment grade markets. The 2024 year-to-date performance of local currency segment has lagged hard currency, being held back by a strengthening US dollar. Notwithstanding this, local currency outperformed for much of 2023.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of its benchmark across most of its share classes in the period under review. The sub-fund's benchmark is a composite index consisting of 1/3 JPM Emerging Markets Bond (EMBI) Global Diversified Index, 1/3 JPM Corporate EMBI (CEMBI) Broad Diversified Index, and 1/3 JPM GBI-EM Global Diversified Index. The benchmark returned 9.12% in euros and 8.47% in US dollars over the review period.

The sub-fund's credit and yield curve positioning contributed positively. While favourable country allocation was the main driver of outperformance, this was partially offset by deduction from security selection. Our currency exposure also marginally contributed to performance.

Our above-benchmark exposure, and security selection, in Argentina and the Dominican Republic added the most value as did our last remaining exposure to Russia which we fully sold down in the latter stages of the

reporting period. Conversely, our underweights to Chile, the Philippines and Thailand detracted from performance as did our underweights to lower rated countries such as Pakistan which rallied heavily towards the end of the reporting period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

In hard currency sovereigns, we purchased a number of new issues from Central Eastern European countries such as Romania, Serbia, and Poland. In the autumn of 2023, we participated in new offerings from quasi-sovereign entities such as DP World and First Abu Dhabi Bank. Later, we also purchased new government bonds from Paraguay, Benin, Turkey and Kenya, with the latter returning to the market after a number of years out.

In the secondary market, we added to our holdings in Colombia, Barbados, and the Dominican Republic. In Turkey, we increased exposure following positive fundamental trends post-election and a more orthodox monetary policy from the central bank. On the other hand, we de-risked, where appropriate to do so, by selling HY names such as Albania which begun to look expensive with our view not being overly bullish.

Within local currency sovereigns, we added to our holdings in Poland, Chile and Colombia but reduced our position in the Czech Republic. In March, we bought Egyptian sovereigns following a sharp devaluation in the currency and a large interest rate hike.

In corporate bonds, we bought new issues from the likes of OTP Bank, SK Telecom, Minerva and Hunt Oil. In the second half of the review period, we took some profits in HY names which had outperformed.

### Outlook

Despite some uncertainty over geopolitical risk, we feel the broader picture is still favourable for EMs in 2024. Economies have been surprisingly resilient: first adapting to high inflation post-COVID and then to higher interest rates.

# Investment review

With the Federal Reserve expected to cut interest rates in 2024, despite US inflation appearing stickier than expected, we believe there is cause for optimism in EM debt, provided the US dollar does not strengthen any further and risk aversion remains subdued.

While the double-digit returns we saw in 2023 may not be replicated again, EM debt still offers compelling opportunities, in our view, especially for investors facing reinvestment risk from short-dated bonds.

## **Claudia Calich and Charles de Quinsonas**

Co-sub-fund managers

On 1 March 2024 Charles de Quinsonas was appointed co-sub-fund manager.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>3,501,315</b>	<b>96.54</b>
<b>Debt securities</b>					<b>3,501,315</b>	<b>96.54</b>
<b>'AAA' credit rated bonds</b>					<b>122,222</b>	<b>3.37</b>
European Bank for Reconstruction & Development 6.3%	1,850,000,000	INR	26.10.2027		21,757	0.60
European Bank for Reconstruction & Development 20% <sup>a</sup>	11,200,000	US\$	19.03.2025		11,485	0.32
International Bank for Reconstruction & Development 6.75%	1,360,000,000	INR	13.07.2029		16,147	0.44
International Bank for Reconstruction & Development 6.85%	1,200,000,000	INR	24.04.2028		14,351	0.40
International Bank for Reconstruction & Development 13.5%	1,600,000,000	KZT	03.07.2025		3,593	0.10
International Finance 11%	55,000,000,000	UZS	18.10.2024		4,301	0.12
Singapore (Republic of) 3%	68,600,000	SG\$	01.09.2024		50,588	1.39
<b>'AA' credit rated bonds</b>					<b>67,717</b>	<b>1.87</b>
Israel (State of) 5.375%	8,690,000	US\$	12.03.2029		8,709	0.24
Israel (State of) 5.5%	13,629,000	US\$	12.03.2034		13,499	0.38
Israel (State of) 5.75%	9,871,000	US\$	12.03.2054		9,497	0.26
Qatar Petroleum 3.125%	19,000,000	US\$	12.07.2041		14,189	0.39
QatarEnergy 3.3%	20,000,000	US\$	12.07.2051		14,138	0.39
TSMC Arizona 2.5%	9,000,000	US\$	25.10.2031		7,685	0.21
<b>'A' credit rated bonds</b>					<b>336,949</b>	<b>9.29</b>
AIA Group FRN	7,047,000	US\$	31.12.2099		6,584	0.18
Bermuda (Commonwealth of) 5%	10,173,000	US\$	15.07.2032		9,833	0.27
BOC Aviation 2.625%	5,000,000	US\$	17.09.2030		4,314	0.12
BOC Aviation 3.875%	7,000,000	US\$	27.04.2026		6,786	0.19
BOC Aviation 5.75%	3,500,000	US\$	09.11.2028		3,588	0.10
Commercial Bank FRN	9,553,000	US\$	31.12.2099		8,859	0.24
EIG Pearl Holdings 3.545%	9,275,000	US\$	31.08.2036		7,933	0.22
First Abu Dhabi Bank FRN	5,667,000	US\$	04.04.2034		5,801	0.16
Greensaif Pipelines Bidco 6.129%	7,041,000	US\$	23.02.2038		7,175	0.20
Greensaif Pipelines Bidco 6.51%	6,207,000	US\$	23.02.2042		6,461	0.18
Japan (Kingdom of) 0.005%	533,350,000	¥	01.02.2025		3,522	0.10
Japan (Kingdom of) 0.1%	7,550,000,000	¥	20.06.2024		49,890	1.37

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Malaysia (Federation of) 3.582%	165,000,000	MYR	15.07.2032		34,217	0.94
Malaysia (Federation of) 3.885%	243,000,000	MYR	15.08.2029		51,876	1.43
Masdar Abu Dhabi Future Energy 4.875%	8,472,000	US\$	25.07.2033		8,315	0.23
Poland (Republic of) 1.75%	180,000,000	PLN	25.04.2032		34,450	0.95
Poland (Republic of) 4.125%	11,882,000	€	11.01.2044		13,076	0.36
Poland (Republic of) 4.25%	13,000,000	€	14.02.2043		14,575	0.40
Poland (Republic of) 6%	139,000,000	PLN	25.10.2033		36,124	1.00
SA Global Sukuk 2.694%	9,500,000	US\$	17.06.2031		8,188	0.23
Standard Chartered FRN	6,000,000	US\$	09.01.2029		6,168	0.17
Tencent Holdings 3.24%	13,575,000	US\$	03.06.2050		9,214	0.25
<b>'BBB' credit rated bonds</b>					<b>1,025,921</b>	<b>28.29</b>
Aldar Investment Properties 4.875%	4,617,000	US\$	24.05.2033		4,515	0.12
Banco de Crédito del Perú FRN	3,846,000	US\$	01.07.2030		3,685	0.10
Banco de Crédito del Perú FRN	5,667,000	US\$	30.09.2031		5,243	0.15
Bank Leumi FRN	9,500,000	US\$	29.01.2031		8,825	0.24
Bank of East Asia FRN	5,500,000	US\$	22.04.2032		5,169	0.14
Bimbo Bakeries USA 6.4%	5,497,000	US\$	15.01.2034		5,895	0.16
Bulgaria (Republic of) 4.625%	4,762,000	€	23.09.2034		5,529	0.15
Burgan Bank FRN	8,000,000	US\$	15.12.2031		6,903	0.19
Česká spořitelna FRN	5,000,000	€	08.03.2028		5,581	0.15
Colombia (Republic of) 7.25%	138,000,000,000	COP	18.10.2034		29,093	0.80
Colombia (Republic of) 7.25%	102,000,000,000	COP	26.10.2050		18,566	0.51
Colombia (Republic of) 9.75%	27,627,000,000	COP	26.07.2028		6,760	0.19
Consortio Transmantaro 5.2%	3,059,000	US\$	11.04.2038		2,885	0.08
DP World Crescent 5.5%	8,538,000	US\$	13.09.2033		8,630	0.24
EnfraGen Energia Sur Via EnfraGen Spain Via Prime Energia 5.375%	8,363,000	US\$	30.12.2030		6,951	0.19
Flex 6%	4,397,000	US\$	15.01.2028		4,475	0.12
Freeport Indonesia 4.763%	6,196,000	US\$	14.04.2027		6,060	0.17
Hungary (Republic of) 4.75%	6,000,000,000	HUF	24.11.2032		14,263	0.39
Hungary (Republic of) 6.25%	19,405,000	US\$	22.09.2032		20,204	0.56

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Hungary (Republic of) 6.75%	12,000,000,000	HUF	22.10.2028		32,683	0.90
Hunt Oil Company of Peru 8.55%	5,862,000	US\$	18.09.2033		6,269	0.17
Hutama Karya 3.75%	9,201,000	US\$	11.05.2030		8,482	0.23
Indofood CBP 3.398%	10,365,000	US\$	09.06.2031		9,016	0.25
Indonesia (Republic of) 7.5%	433,000,000,000	IDR	15.06.2035		28,917	0.80
Indonesia (Republic of) 8.25%	521,154,000,000	IDR	15.05.2036		36,814	1.02
Indonesia (Republic of) 8.375%	375,000,000,000	IDR	15.03.2034		26,525	0.73
Indonesia (Republic of) 8.375%	368,000,000,000	IDR	15.04.2039		26,402	0.73
Israel Electric 3.75%	5,930,000	US\$	22.02.2032		5,025	0.14
Kazakhstan (Republic of) 8.05%	3,950,000,000	KZT	20.05.2024		8,818	0.24
Kazakhstan (Republic of) 13.75%	1,820,067,000	KZT	24.06.2026		4,275	0.12
Kazakhstan (Republic of) 14.5%	2,000,000,000	KZT	28.04.2025		4,598	0.13
Kazakhstan (Republic of) 16.7%	4,200,000,000	KZT	13.01.2025		9,772	0.27
KazMunayGas National 6.375%	16,000,000	US\$	24.10.2048		14,957	0.41
Lenovo Group 3.421%	8,180,000	US\$	02.11.2030		7,172	0.20
Magyar Fejlesztési Bank 6.5%	4,960,000	US\$	29.06.2028		5,051	0.14
Malaysia (Federation of) 3.844%	154,397,000	MYR	15.04.2033		32,597	0.90
Mashreqbank FRN	7,736,000	US\$	24.02.2033		8,208	0.23
Meituan 3.05%	10,000,000	US\$	28.10.2030		8,562	0.24
Mexico (United Mexican States) 5.625%	12,700,000	£	19.03.2114		12,310	0.34
Mexico (United Mexican States) 7.5%	200,000,000	MXN	26.05.2033		10,773	0.30
Mexico (United Mexican States) 8.5%	1,798,920,000	MXN	18.11.2038		101,310	2.79
Mizrahi Tefahot Bank FRN	8,564,000	US\$	07.04.2031		7,847	0.22
MVM Energetika 6.5%	7,123,000	US\$	13.03.2031		7,089	0.20
NBK Tier 1 FRN	7,000,000	US\$	31.12.2099		6,464	0.18
Panama (Republic of) 6.375%	5,844,000	US\$	25.07.2033		5,502	0.15
Panama (Republic of) 6.4%	6,000,000	US\$	14.02.2035		5,769	0.16
Panama (Republic of) 7.5%	11,542,000	US\$	01.03.2031		12,099	0.33
Panama (Republic of) 7.875%	5,792,000	US\$	01.03.2057		5,959	0.16
Panama (Republic of) 8%	8,760,000	US\$	01.03.2038		9,324	0.26

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Pertamina 2.3%	7,447,000	US\$	09.02.2031		6,200	0.17
Peru (Republic of) 2.4%	5,000,000	US\$	28.09.2027		4,469	0.12
Peru (Republic of) 5.4%	74,000,000	PEN	12.08.2034		17,188	0.47
Peru (Republic of) 5.94%	82,500,000	PEN	12.02.2029		22,085	0.61
Peru (Republic of) 6.15%	68,000,000	PEN	12.08.2032		17,186	0.47
Peru (Republic of) 7.3%	60,000,000	PEN	12.08.2033		16,218	0.45
Petróleos Mexicanos 6.75%	14,277,000	US\$	21.09.2047		9,473	0.26
Petróleos Mexicanos 7.19%	220,161,300	MXN	12.09.2024		12,968	0.36
Petróleos Mexicanos 7.69%	21,250,000	US\$	23.01.2050		15,267	0.42
Philippines (Republic of) 6.25%	1,681,000,000	PHP	14.01.2036		28,002	0.77
Prosus 3.061%	2,000,000	US\$	13.07.2031		1,624	0.05
Prosus 3.257%	3,445,000	US\$	19.01.2027		3,193	0.09
Prosus 3.832%	3,500,000	US\$	08.02.2051		2,161	0.06
Romania (Republic of) 2.875%	15,405,000	€	13.04.2042		11,381	0.31
Romania (Republic of) 4.15%	110,000,000	RON	26.01.2028		22,297	0.62
Romania (Republic of) 4.25%	52,000,000	RON	28.04.2036		9,153	0.25
Romania (Republic of) 6.375%	20,213,000	€	18.09.2033		23,365	0.64
Romania (Republic of) 8.75%	113,000,000	RON	30.10.2028		26,880	0.74
Sands China 4.625%	5,000,000	US\$	18.06.2030		4,582	0.13
Sharjah (Emirate of) 4%	25,000,000	US\$	28.07.2050		16,514	0.46
Sharjah (Emirate of) 6.125%	15,129,000	US\$	06.03.2036		15,257	0.42
Shinhan Bank 4.375%	8,362,000	US\$	13.04.2032		7,720	0.21
SK Hynix 2.375%	8,300,000	US\$	19.01.2031		6,825	0.19
Thailand (Kingdom of) 1.25%	418,759,000	THB	12.03.2028		12,217	0.34
Uruguay (Republic of) 3.875%	1,349,918,908	UYU	02.07.2040		49,960	1.38
Uruguay (Republic of) 8.25%	913,561,644	UYU	21.05.2031		23,353	0.64
Vanke Real Estate Hong Kong 3.975%	5,000,000	US\$	09.11.2027		2,562	0.07
<b>'BB' credit rated bonds</b>					<b>1,115,724</b>	<b>30.76</b>
Aegea Finance 9%	6,336,000	US\$	20.01.2031		6,712	0.19
America Movil 5.375%	6,835,000	US\$	04.04.2032		6,378	0.18

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Armenia (Republic of) 3.6%	17,350,000	US\$	02.02.2031		14,112	0.39
Armenia (Republic of) 3.95%	4,500,000	US\$	26.09.2029		3,908	0.11
Azerbaijan (Republic of) 3.5%	15,555,000	US\$	01.09.2032		13,225	0.37
Banca Transilvania FRN	5,441,000	€	27.04.2027		6,228	0.17
Banco de Crédito e Inversiones FRN	3,983,000	US\$	31.12.2099		4,115	0.11
Bangkok Bank FRN	10,700,000	US\$	25.09.2034		9,530	0.26
BBVA Bancomer FRN	7,350,000	US\$	18.01.2033		6,820	0.19
BBVA Bancomer FRN	2,889,000	US\$	29.06.2038		3,052	0.08
BBVA Bancomer FRN	5,300,000	US\$	08.01.2039		5,492	0.15
Bidvest Group 3.625%	9,358,000	US\$	23.09.2026		8,731	0.24
Bioceanico Sovereign Certificate 0%	17,825,115	US\$	05.06.2034		13,126	0.36
Brazil (Federal Republic of) 6.125%	6,163,000	US\$	15.03.2034		6,109	0.17
Brazil (Federal Republic of) 7.125%	5,760,000	US\$	13.05.2054		5,812	0.16
Brazil (Federal Republic of) 10%	607,000,000	BRL	01.01.2029		119,003	3.28
Brazil (Federal Republic of) 10%	90,000,000	BRL	01.01.2033		17,188	0.47
Cemex FRN	3,000,000	US\$	31.12.2099		3,255	0.09
Cemex 3.875%	6,500,000	US\$	11.07.2031		5,769	0.16
Colombia (Republic of) 4.125%	10,000,000	US\$	22.02.2042		6,798	0.19
Colombia (Republic of) 4.125%	15,800,000	US\$	15.05.2051		9,884	0.27
Colombia (Republic of) 6.125%	6,450,000	US\$	18.01.2041		5,588	0.15
Colombia (Republic of) 7.5%	13,322,000	US\$	02.02.2034		13,613	0.38
Colombia (Republic of) 9.85%	12,101,000,000	COP	28.06.2027		3,057	0.08
Consolidated Energy Finance 12%	5,278,000	US\$	15.02.2031		5,450	0.15
Continuum Energy Levanter 4.5%	3,182,813	US\$	09.02.2027		3,088	0.09
Costa Rica (Republic of) 5.625%	7,000,000	US\$	30.04.2043		6,332	0.17
Costa Rica (Republic of) 6.55%	5,507,000	US\$	03.04.2034		5,699	0.16
Costa Rica (Republic of) 7%	6,000,000	US\$	04.04.2044		6,215	0.17
Costa Rica (Republic of) 9.66%	2,240,000,000	CRC	30.09.2026		4,864	0.13
Costa Rica (Republic of) 10.35%	800,000,000	CRC	24.09.2025		1,703	0.05
Côte d'Ivoire (Republic of) 4.875%	20,191,000	€	30.01.2032		18,818	0.52

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Côte d'Ivoire (Republic of) 6.625%	15,735,000	€	22.03.2048		13,872	0.38
Dominican (Republic of) 5.875%	17,466,000	US\$	30.01.2060		14,889	0.41
Dominican (Republic of) 6%	17,389,000	US\$	22.02.2033		16,949	0.47
Dominican (Republic of) 9.75%	946,000,000	DOP	05.06.2026		16,136	0.45
Dominican (Republic of) 11.25%	325,800,000	DOP	15.09.2035		5,985	0.17
Dominican (Republic of) 13.625%	1,153,950,000	DOP	03.02.2033		23,653	0.65
Ecopetrol 5.875%	10,000,000	US\$	02.11.2051		7,192	0.20
Ecopetrol 7.375%	7,250,000	US\$	18.09.2043		6,719	0.19
Ecopetrol 8.375%	3,933,000	US\$	19.01.2036		3,982	0.11
Empresas Publicas de Medellin 8.375%	59,209,000,000	COP	08.11.2027		13,593	0.38
Energiean Israel Finance 4.875%	3,793,796	US\$	30.03.2026		3,606	0.10
Energiean Israel Finance 5.375%	3,672,368	US\$	30.03.2028		3,364	0.09
Energiean Israel Finance 8.5%	7,037,037	US\$	30.09.2033		6,973	0.19
Eramet 7%	4,500,000	€	22.05.2028		4,876	0.13
Georgia (Republic of) 0%	8,000,000	GEL	13.03.2025		2,768	0.08
Georgia (Republic of) 2.75%	13,600,000	US\$	22.04.2026		12,675	0.35
Georgia (Republic of) 9.375%	160,000	GEL	18.01.2028		63	0.00
Georgia (Republic of) 9.75%	6,667,000	GEL	27.01.2027		2,609	0.07
Georgian Railway 4%	9,000,000	US\$	17.06.2028		8,169	0.23
Globo Comunicação e Participações 5.5%	9,464,000	US\$	14.01.2032		8,237	0.23
Grupo KUO 5.75%	10,675,000	US\$	07.07.2027		10,076	0.28
Guatemala (Republic of) 4.65%	12,307,000	US\$	07.10.2041		9,909	0.27
Guatemala (Republic of) 4.875%	5,500,000	US\$	13.02.2028		5,316	0.15
Guatemala (Republic of) 4.9%	7,300,000	US\$	01.06.2030		6,981	0.19
Guatemala (Republic of) 6.125%	5,484,000	US\$	01.06.2050		5,103	0.14
Guatemala (Republic of) 6.6%	7,000,000	US\$	13.06.2036		7,165	0.20
Heritage Petroleum 9%	17,438,000	US\$	12.08.2029		18,396	0.51
Honduras (Republic of) 5.625%	18,801,000	US\$	24.06.2030		16,754	0.46
Ipoteka-Bank 5.5%	3,500,000	US\$	19.11.2025		3,371	0.09
Jamaica (Commonwealth of) 7.875%	5,000,000	US\$	28.07.2045		5,898	0.16

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Jamaica (Commonwealth of) 8%	5,500,000	US\$	15.03.2039		6,542	0.18
Jamaica (Commonwealth of) 9.625%	3,270,000,000	JMD	03.11.2030		22,595	0.62
Jollibee Worldwide 4.75%	5,000,000	US\$	24.06.2030		4,781	0.13
Macedonia (Republic of) 1.625%	6,351,000	€	10.03.2028		5,966	0.16
MAF Global Securities FRN	4,569,000	US\$	31.12.2099		4,796	0.13
MAF Global Securities 6.375%	6,515,000	US\$	31.12.2099		6,491	0.18
mBank FRN	5,200,000	€	11.09.2027		5,970	0.16
Melco Resorts Finance 5.75%	5,000,000	US\$	21.07.2028		4,738	0.13
Metalsa 3.75%	2,700,000	US\$	04.05.2031		2,184	0.06
Millicom International Cellular 4.5%	11,168,000	US\$	27.04.2031		9,591	0.26
Millicom International Cellular 6.25%	4,400,100	US\$	25.03.2029		4,293	0.12
Minerva Luxembourg 8.875%	8,433,000	US\$	13.09.2033		8,908	0.25
Morocco (Kingdom of) 4%	22,231,000	US\$	15.12.2050		15,231	0.42
Morocco (Kingdom of) 5.5%	14,903,000	US\$	11.12.2042		13,144	0.36
Network i2i FRN	7,450,000	US\$	31.12.2099		7,396	0.20
Nexa Resources 6.5%	7,400,000	US\$	18.01.2028		7,446	0.21
OCP 3.75%	8,700,000	US\$	23.06.2031		7,437	0.21
OCP 6.875%	6,300,000	US\$	25.04.2044		5,953	0.16
Oman (Sultanate of) 6.5%	13,400,000	US\$	08.03.2047		13,543	0.37
Oman (Sultanate of) 6.75%	18,006,000	US\$	17.01.2048		18,462	0.51
OTP Bank FRN	6,000,000	US\$	15.05.2033		6,238	0.17
Paraguay (Republic of) 6.1%	20,906,000	US\$	11.08.2044		20,337	0.56
Paraguay (Republic of) 7.9%	102,473,000,000	PYG	09.02.2031		14,387	0.40
Rede D'Ór Finance 4.5%	5,000,000	US\$	22.01.2030		4,527	0.13
Rede D'Ór Finance 4.95%	7,250,000	US\$	17.01.2028		6,935	0.19
Sagikor Financial 5.3%	10,531,000	US\$	13.05.2028		10,167	0.28
San Marino (Republic of) 6.5%	10,500,000	€	19.01.2027		11,596	0.32
SASOL Financing 8.75%	3,400,000	US\$	03.05.2029		3,459	0.10
Serbia (Republic of) 1.65%	19,417,000	€	03.03.2033		15,673	0.43
Serbia (Republic of) 2.05%	19,586,000	€	23.09.2036		14,819	0.41

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Seychelles (Republic of) 8%	460,560	US\$	01.01.2026		459	0.01
South Africa (Republic of) 5.375%	15,000,000	US\$	24.07.2044		10,816	0.30
South Africa (Republic of) 8.75%	1,207,023,742	ZAR	28.02.2048		43,787	1.21
South Africa (Republic of) 8.875%	960,000,000	ZAR	28.02.2035		40,131	1.11
Southern Gas Corridor 6.875%	14,500,000	US\$	24.03.2026		14,699	0.41
Teva Pharmaceutical Finance Netherlands II 3.75%	9,500,000	€	09.05.2027		9,949	0.27
Teva Pharmaceutical Finance Netherlands III 6.75%	12,000,000	US\$	01.03.2028		12,288	0.34
Uzbek Industrial and Construction Bank 5.75%	2,700,000	US\$	02.12.2024		2,662	0.07
Uzbekistan (Republic of) 3.9%	15,763,000	US\$	19.10.2031		13,023	0.36
Uzbekistan (Republic of) 4.85%	5,393,000	US\$	21.10.2025		5,216	0.14
Uzbekistan (Republic of) 5.375%	11,500,000	US\$	20.02.2029		10,855	0.30
Uzbekistan (Republic of) 7.85%	7,228,000	US\$	12.10.2028		7,567	0.21
Uzbekistan (Republic of) 14%	200,500,000,000	UZS	19.07.2024		15,742	0.43
Uzbekistan (Republic of) 16.25%	83,430,000,000	UZS	12.10.2026		6,570	0.18
Vietnam (Republic of) 5.5%	12,201,983	US\$	12.03.2028		11,756	0.32
Vivo Energy Investments 5.125%	3,000,000	US\$	24.09.2027		2,862	0.08
WE Soda Investments Holding 9.5%	6,703,000	US\$	06.10.2028		6,961	0.19
Wynn Macau 5.125%	2,000,000	US\$	15.12.2029		1,823	0.05
<b>'B' credit rated bonds</b>					<b>543,961</b>	<b>15.00</b>
Albania (Republic of) 5.9%	12,559,000	€	09.06.2028		13,925	0.38
Angola (Republic of) 9.375%	17,009,000	US\$	08.05.2048		14,739	0.41
Angola (Republic of) 8.75%	5,400,000	US\$	14.04.2032		4,983	0.14
Aydem Yenilenebilir Enerji 7.75%	7,371,000	US\$	02.02.2027		7,120	0.20
Bahamas (Commonwealth of) 6%	13,260,000	US\$	21.11.2028		11,910	0.33
Bahamas (Commonwealth of) 8.95%	14,186,000	US\$	15.10.2032		13,745	0.38
Bahrain (Kingdom of) 5.25%	5,000,000	US\$	25.01.2033		4,459	0.12
Banco Davivienda FRN	4,000,000	US\$	31.12.2099		2,818	0.08
Barbados (Republic of) 6.5%	20,157,000	US\$	01.10.2029		19,200	0.53

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Benin (Republic of) 4.875%	14,250,000	€	19.01.2032		12,987	0.36
Benin (Republic of) 6.875%	9,964,000	€	19.01.2052		8,845	0.24
Benin (Republic of) 7.96%	2,905,000	US\$	13.02.2038		2,836	0.08
BOI Finance 7.5%	7,154,000	€	16.02.2027		7,344	0.20
Continuum Energy Aura 9.5%	5,462,000	US\$	24.02.2027		5,682	0.16
Dar Al-Arkan 8%	6,143,000	US\$	25.02.2029		6,366	0.18
Ecuador (Republic of) 0%	3,343,093	US\$	31.07.2030		1,644	0.05
Ecuador (Republic of) 2.5%	12,363,636	US\$	31.07.2040		6,042	0.17
Ecuador (Republic of) 3.5%	14,665,000	US\$	31.07.2035		7,759	0.21
Egypt (Republic of) 0%	577,000,000	EGP	18.03.2025		9,618	0.26
Egypt (Republic of) 8.7002%	19,783,000	US\$	01.03.2049		16,098	0.44
Egypt (Republic of) 8.875%	18,695,000	US\$	29.05.2050		15,398	0.42
El Salvador (Republic of) 7.1246%	13,410,000	US\$	20.01.2050		9,292	0.26
Eskom Holdings 7.125%	11,700,000	US\$	11.02.2025		11,647	0.32
First Quantum Minerals 9.375%	2,171,000	US\$	01.03.2029		2,259	0.06
Gabon (Republic of) 6.625%	15,960,000	US\$	06.02.2031		13,674	0.38
Hazine Mustesarligi Varlik Kiralama 8.5091%	8,021,000	US\$	14.01.2029		8,500	0.23
IHS Netherlands Holdco 8%	7,500,000	US\$	18.09.2027		7,169	0.20
Iraq (Republic of) 5.8%	12,790,500	US\$	15.01.2028		12,077	0.33
Istanbul Metropolitan Municipality 6.375%	5,053,000	US\$	09.12.2025		4,949	0.14
Istanbul Metropolitan Municipality 10.5%	2,600,000	US\$	06.12.2028		2,783	0.08
Jordan (Kingdom of) 6.125%	4,346,000	US\$	29.01.2026		4,283	0.12
Jordan (Kingdom of) 7.375%	22,432,000	US\$	10.10.2047		19,870	0.55
Kenya (Republic of) 8%	17,300,000	US\$	22.05.2032		16,255	0.45
Kenya (Republic of) 8.25%	9,300,000	US\$	28.02.2048		8,023	0.22
Kosmos Energy 7.125%	7,000,000	US\$	04.04.2026		6,904	0.19
Liberty Costa Rica Senior Secured Finance 10.875%	7,850,000	US\$	15.01.2031		8,268	0.23
Liquid Telecom Finance 5.5%	3,977,000	US\$	04.09.2026		2,354	0.06
Mongolia (Republic of) 3.5%	7,850,000	US\$	07.07.2027		7,077	0.19
Mongolia (Republic of) 4.45%	6,940,000	US\$	07.07.2031		5,899	0.16

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Mongolia (Republic of) 8.65%	4,600,000	US\$	19.01.2028		4,854	0.13
Montenegro (Republic of) 2.55%	3,500,000	€	03.10.2029		3,250	0.09
Montenegro (Republic of) 2.875%	13,582,000	€	16.12.2027		13,396	0.37
Montenegro (Republic of) 7.25%	4,561,000	US\$	12.03.2031		4,639	0.13
Nigeria (Federal Republic of) 7.375%	21,821,000	US\$	28.09.2033		18,742	0.52
Nigeria (Federal Republic of) 8.747%	16,990,000	US\$	21.01.2031		16,471	0.45
Papua New Guinea (Commonwealth of) 8.375%	10,113,000	US\$	04.10.2028		9,574	0.26
Rwanda (Republic of) 5.5%	19,900,000	US\$	09.08.2031		16,204	0.45
Senegal (Republic of) 5.375%	5,000,000	€	08.06.2037		3,932	0.11
Senegal (Republic of) 6.25%	12,100,000	US\$	23.05.2033		10,354	0.29
Senegal (Republic of) 6.75%	7,000,000	US\$	13.03.2048		5,215	0.14
Serbia (Republic of) 4.75%	10,775,000	€	27.04.2026		11,107	0.31
Tajikistan (Republic of) 7.125%	23,150,000	US\$	14.09.2027		21,289	0.59
Turkey (Republic of) 4.875%	20,000,000	US\$	16.04.2043		14,028	0.39
Turkey (Republic of) 5.75%	16,000,000	US\$	11.05.2047		12,146	0.33
Turkey (Republic of) 6.625%	15,000,000	US\$	17.02.2045		12,860	0.35
Turkey (Republic of) 7.625%	12,720,000	US\$	15.05.2034		12,740	0.35
Turkiye Ihracat Kredi Bankasi 7.5%	3,579,000	US\$	06.02.2028		3,594	0.10
Turkiye Ihracat Kredi Bankasi 9%	4,553,000	US\$	28.01.2027		4,765	0.13
<b>'CCC' credit rated bonds</b>					<b>153,871</b>	<b>4.24</b>
Argentina (Republic of) 1.5%	58,926,829	US\$	09.07.2035		24,737	0.68
Argentina (Republic of) 3.625%	7,800,000	US\$	09.07.2046		3,545	0.10
Argentina (Republic of) 6.375%	8,636,291	US\$	01.09.2037		3,531	0.10
Argentine (Republic of) 3.5%	25,000,000	US\$	09.07.2041		10,180	0.28
Bolivia (Plurinational State of) 4.5%	3,456,000	US\$	20.03.2028		2,031	0.06
Cameroon (Republic of) 5.95%	20,015,000	€	07.07.2032		16,739	0.46
El Salvador (Republic of) 9.5%	7,250,000	US\$	15.07.2052		6,033	0.17
Gabon (Republic of) 6.95%	8,973,000	US\$	16.06.2025		8,820	0.24
Kenbourne Invest 4.7%	9,108,000	US\$	22.01.2028		3,323	0.09
Maldives Sukuk Issuance 9.875%	7,414,000	US\$	08.04.2026		6,406	0.18

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'CCC' credit rated bonds</b> (continued)						
Mozambique (Republic of) 9%	21,700,000	US\$	15.09.2031		18,646	0.51
Oriflame Investment Holding 5.125%	8,370,000	US\$	04.05.2026		2,274	0.06
Pakistan (Republic of) 8.875%	4,438,000	US\$	08.04.2051		3,359	0.09
Suriname (Republic of) 7.95%	14,977,765	US\$	15.07.2033		13,707	0.38
Ukraine (Republic of) 7.375%	17,528,000	US\$	25.09.2034		5,171	0.14
Ukraine (Republic of) 7.75%	8,500,000	US\$	01.09.2029		2,836	0.08
Ukraine (Republic of) 9.75%	11,500,000	US\$	01.11.2030		4,089	0.11
Ukraine (Republic of) 15.5%	160,000,000	UAH	02.10.2024		3,490	0.10
YPF 8.5%	8,500,000	US\$	28.07.2025		8,362	0.23
YPF 9.5%	6,429,000	US\$	17.01.2031		6,592	0.18
<b>'CC' credit rated bonds</b>					<b>25,502</b>	<b>0.70</b>
Argentina (Republic of) 6.875%	7,531,089	US\$	01.02.2029		5,156	0.14
Argentina (Republic of) 15.5%	266,363,000	ARS	17.10.2026		163	0.01
NPC Ukrenerg 6.875%	5,860,000	US\$	09.11.2028		2,213	0.06
Ukraine (Republic of) 6.75%	9,000,000	€	20.06.2028		2,977	0.08
Ukraine (Republic of) 9.99%	84,077,000	UAH	22.05.2024		2,132	0.06
Ukraine (Republic of) 12.7%	256,570,000	UAH	30.10.2024		5,562	0.15
Ukraine (Republic of) 19.6%	127,000,000	UAH	02.04.2025		3,341	0.09
Ukraine (Republic of) 19.7%	140,000,000	UAH	06.08.2025		2,718	0.08
Ukraine (Republic of) 19.75%	65,000,000	UAH	05.11.2025		1,240	0.03
<b>'C' credit rated bonds</b>					<b>11,082</b>	<b>0.31</b>
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	6,247,000	US\$	08.11.2028		3,802	0.11
NAK Naftogaz Ukraine Via Kondor Finance 7.65%	3,638,500	US\$	19.07.2025		2,988	0.08
Venezuela (Republic of) 7% <sup>b</sup>	13,324,000	US\$	31.03.2038		1,945	0.06
Venezuela (Republic of) 7.65% <sup>b</sup>	3,000,000	US\$	21.04.2025		427	0.01
Venezuela (Republic of) 8.25% <sup>b</sup>	5,000,000	US\$	13.10.2024		714	0.02
Venezuela (Republic of) 9.25% <sup>b</sup>	7,444,600	US\$	07.05.2028		1,206	0.03
<b>'D' credit rated bonds</b>					<b>41,597</b>	<b>1.15</b>
Ghana (Republic of) 8.125%	21,537,000	US\$	26.03.2032		11,119	0.31

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt securities (continued)</b>						
<b>'D' credit rated bonds (continued)</b>						
Ghana (Republic of) 8.627%	8,500,000	US\$	16.06.2049		4,295	0.12
GTLK Europe Capital 4.65% <sup>c</sup>	1,395,000	US\$	10.03.2027		0	0.00
GTLK Europe Capital 5.125% <sup>c</sup>	6,649,000	US\$	31.05.2024		0	0.00
GTLK Europe Capital 5.95% <sup>c</sup>	5,667,000	US\$	17.04.2025		0	0.00
Petróleos de Venezuela 9.75% <sup>b</sup>	4,055,073	US\$	17.05.2035		469	0.01
Sovcombank Via SovCom Capital FRN <sup>c</sup>	9,300,000	US\$	07.04.2030		0	0.00
Sri Lanka (Republic of) 6.2%	3,000,000	US\$	11.05.2027		1,778	0.05
Sri Lanka (Republic of) 6.75%	5,000,000	US\$	18.04.2028		2,961	0.08
Sri Lanka (Republic of) 7.55%	6,000,000	US\$	28.03.2030		3,536	0.10
Sri Lanka (Republic of) 7.85%	5,000,000	US\$	14.03.2029		2,956	0.08
Yuzhou Group Holdings 7.375% <sup>b</sup>	2,000,000	US\$	13.01.2026		113	0.00
Yuzhou Group Holdings 7.85% <sup>b</sup>	4,419,000	US\$	12.08.2026		208	0.01
Yuzhou Properties 7.7% <sup>b</sup>	4,000,000	US\$	20.02.2025		220	0.01
Zambia (Republic of) 8.5%	12,339,000	US\$	14.04.2024		9,140	0.25
Zambia (Republic of) 8.97%	6,500,000	US\$	30.07.2027		4,802	0.13
<b>Bonds with no credit rating</b>					<b>56,769</b>	<b>1.56</b>
Alinma Bank FRN	12,254,000	US\$	31.12.2099		12,387	0.34
ALROSA Finance 3.1% <sup>c</sup>	7,316,000	US\$	25.06.2027		0	0.00
Dubai (Emirate of) 3.9%	20,416,000	US\$	09.09.2050		15,152	0.42
Petróleos de Venezuela 5.375% <sup>b</sup>	13,323,800	US\$	12.04.2027		1,268	0.03
Petróleos de Venezuela 6% <sup>b</sup>	2,000,000	US\$	28.10.2022		189	0.00
Petróleos de Venezuela 6% <sup>b</sup>	9,844,900	US\$	16.05.2024		928	0.03
Petróleos de Venezuela 6% <sup>b</sup>	2,000,000	US\$	15.11.2026		190	0.00
Venezuela (Republic of) 6% <sup>b</sup>	2,000,000	US\$	09.12.2020		269	0.01
Viet Nam Debt & Asset Trading 1%	29,289,000	US\$	10.10.2025		26,386	0.73
<b>Currency</b>					<b>(232)</b>	<b>0.00</b>
<b>Forward currency contracts</b>					<b>(232)</b>	<b>0.00</b>
Bought for CLP 37,000,000,000.00, Sold for US\$ 40,402,058.46			10.04.2024	37,582	(2,829)	(0.08)
Bought for THB 812,000,000.00, Sold for US\$ 22,758,294.02			29.05.2024	22,254	(401)	(0.01)
Bought for TRY 990,000,000.00, Sold for US\$ 28,373,287.84			29.05.2024	30,623	234	0.01

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency (continued)</b>						
<b>Forward currency contracts (continued)</b>						
Bought for US\$ 325,193,265.95, Sold for € 298,570,235.74			29.05.2024	321,993	2,472	0.07
Bought for US\$ 17,692,399.98, Sold for £ 13,950,000.00			29.05.2024	17,594	93	0.00
Bought for EGP 430,000,000.00, Sold for US\$ 8,651,911.47			22.07.2024	9,072	199	0.01
<b>Portfolio of investments</b>					<b>3,501,083</b>	<b>96.54</b>
<b>Cash equivalents</b>					<b>77,136</b>	<b>2.13</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	77,135,688	US\$			<b>77,136</b>	<b>2.13</b>
<b>Share class hedging</b>					<b>(1,503)</b>	<b>(0.04)</b>
Bought for CHF 4,970,668.35, Sold for US\$ 5,554,265.02			24.04.2024	5,488	(53)	0.00
Bought for € 268,692,111.64, Sold for US\$ 291,352,928.60			24.04.2024	289,772	(1,337)	(0.04)
Bought for £ 44,036,862.15, Sold for US\$ 55,666,825.74			24.04.2024	55,541	(119)	0.00
Bought for SG\$ 107,227.80, Sold for US\$ 79,783.00			24.04.2024	79	0	0.00
Bought for US\$ 126,467.61, Sold for CHF 113,207.23			24.04.2024	126	1	0.00
Bought for US\$ 1,374,897.16, Sold for € 1,268,113.25			24.04.2024	1,368	5	0.00
Bought for US\$ 274,333.29, Sold for £ 217,010.43			24.04.2024	273	0	0.00
Bought for US\$ 193.96, Sold for SG\$ 260.64			24.04.2024	0	0	0.00
Bought for ZAR 1,490,939.60, Sold for US\$ 78,617.79			24.04.2024	78	0	0.00
<b>Total portfolio</b>					<b>3,576,716</b>	<b>98.63</b>
Net other assets/(liabilities)					50,018	1.37
<b>Net assets</b>					<b>3,626,734</b>	<b>100.00</b>

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Debt securities	3,501,315	96.54
Unrealised gains on forward currency contracts	3,004	0.09
<b>Total Investment assets</b>	<b>3,504,319</b>	<b>96.63</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(4,739)	(0.13)
<b>Total Investment liabilities</b>	<b>(4,739)</b>	<b>(0.13)</b>
<b>Total portfolio</b>	<b>3,499,580</b>	<b>96.50</b>
<b>Cash equivalents</b>	<b>77,136</b>	<b>2.13</b>
<b>Net other assets/(liabilities)</b>	<b>50,018</b>	<b>1.37</b>
<b>Net assets</b>	<b>3,626,734</b>	<b>100.00</b>

<sup>a</sup> Illiquid.

<sup>b</sup> Defaulted bond.

<sup>c</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Citigroup Global Markets Limited	199	0
HSBC Bank Plc	0	353
National Australia Bank Ltd	2,565	0
State Street Bank and Trust Company	8	3,722
UBS AG London	234	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

# Financial highlights

## Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+12.8	+3.0	+2.5	+5.3	19.04.12	21.09.18
Class 'A' Distribution	+12.8	+3.0	+2.5	+5.3	12.07.13	21.09.18
Class 'A-H' Accumulation	+9.6	-2.1	-0.5	+0.7	10.11.14	21.09.18
Class 'A-H' Distribution	+9.7	-2.1	-0.5	+0.7	10.11.14	21.09.18
Class 'B' Accumulation	+12.2	+2.5	+2.0	+4.9	26.07.13	21.09.18
Class 'B' Distribution	+12.2	+2.5	+2.0	+3.5	11.09.15	21.09.18
Class 'B-H' Accumulation	+9.0	-2.6	-1.0	+0.8	11.09.15	21.09.18
Class 'B-H' Distribution	+9.1	-2.5	-1.0	+0.8	11.09.15	21.09.18
Class 'C' Accumulation	+13.5	+3.7	+3.2	+5.9	19.04.12	21.09.18
Class 'C' Distribution	+13.5	+3.7	+3.2	+5.5	08.08.14	21.09.18
Class 'C-H' Accumulation	+10.3	-1.5	+0.1	+1.3	10.11.14	21.09.18
Class 'C-H' Distribution	+10.4	-1.4	+0.1	+1.3	10.11.14	21.09.18
Class 'CI' Accumulation	+13.5	+3.7	+3.2	+5.9	19.04.12	21.09.18
Class 'CI-H' Accumulation	+10.4	-1.4	+0.2	+1.3	10.11.14	21.09.18
Class 'CI-H' Distribution	+10.4	-1.4	n/a	+3.0	n/a	16.04.20
Class 'JI-H' Distribution	+10.5	n/a	n/a	-1.4	n/a	28.01.22
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	+10.0	n/a	n/a	-1.3	n/a	23.11.21
Class 'A-H M' Distribution	+10.0	n/a	n/a	-1.3	n/a	23.11.21
<b>South African rand</b>						
Class 'A-H M F1' Distribution	+14.7	n/a	n/a	+1.0	n/a	23.09.21
Class 'X-H M F1' Distribution	+13.6	n/a	n/a	0.0	n/a	23.09.21
<b>Sterling</b>						
Class 'C' Accumulation	+10.5	+3.8	n/a	+1.0	n/a	27.08.19
Class 'C' Distribution	+10.5	+3.8	+3.2	+3.2	n/a	22.02.19
Class 'CI' Accumulation	+10.5	+3.8	n/a	+1.0	n/a	27.08.19
Class 'CI' Distribution	+10.5	+3.8	+3.2	+3.5	n/a	14.03.19
Class 'JI-H' Distribution	+11.9	n/a	n/a	0.0	n/a	28.01.22

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Swiss franc</b>						
Class 'A' Accumulation	+10.4	-1.2	-0.2	+3.1	26.07.13	21.09.18
Class 'A-H' Accumulation	+7.2	-3.0	-1.2	+0.4	24.07.15	21.09.18
Class 'C' Accumulation	+11.1	-0.6	+0.4	+3.8	26.07.13	21.09.18
Class 'C-H' Accumulation	+8.0	-2.3	-0.5	+1.1	24.07.15	21.09.18
<b>US dollar</b>						
Class 'A' Accumulation	+11.9	+0.1	+1.7	+3.6	19.04.12	21.09.18
Class 'A' Distribution	+11.9	+0.1	+1.7	+2.6	08.08.14	21.09.18
Class 'A M' Distribution	+11.9	+0.1	+1.7	+2.9	n/a	30.11.18
Class 'A M F' Distribution	+11.9	+0.2	n/a	-0.1	n/a	19.11.20
Class 'C' Accumulation	+12.6	+0.8	+2.3	+4.2	19.04.12	21.09.18
Class 'C' Distribution	+12.6	+0.8	+2.3	+3.2	08.08.14	21.09.18
Class 'C M' Distribution	+12.6	+0.8	+2.4	+3.5	n/a	30.11.18
Class 'CI' Accumulation	+12.6	+0.8	+2.4	+4.2	19.04.12	21.09.18
Class 'JI' Distribution	+12.7	n/a	n/a	+1.3	n/a	28.01.22
Class 'X' Accumulation	+10.8	n/a	n/a	-1.1	n/a	23.11.21
Class 'X M' Distribution	+10.8	-0.9	n/a	+0.5	n/a	24.06.20
Class 'X M F' Distribution	+10.8	-0.9	n/a	-1.1	n/a	19.11.20
Class 'ZI' Accumulation	+13.3	+1.4	+3.0	+3.5	n/a	30.01.19

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 17 September 2018 is that of the relevant Merged Share Class of the M&G Emerging Markets Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Emerging Markets Bond Fund is a UK authorised sub-fund which launched on 15 October 1999 and its non-Sterling share classes merged into M&G (Lux) Emerging Markets Bond Fund on 7 December 2018.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	11,013,313.661	12.6246	11.1967	11.3377	1.42
Class 'A' Distribution	4,281,852.902	8.9689	8.5295	9.2400	1.43
Class 'A-H' Accumulation	8,779,858.908	10.2031	9.3107	9.9667	1.44
Class 'A-H' Distribution	2,079,830.507	7.2307	7.0739	8.1028	1.44
Class 'B' Accumulation	2,270,745.523	12.2829	10.9476	11.1410	1.92
Class 'B' Distribution	983,544.497	8.7207	8.3354	9.0761	1.92
Class 'B-H' Accumulation	1,015,290.757	9.9162	9.0940	9.7841	1.94
Class 'B-H' Distribution	702,140.227	7.0396	6.9227	7.9699	1.94
Class 'C' Accumulation	4,342,303.750	13.0867	11.5319	11.6015	0.78
Class 'C' Distribution	1,211,181.373	9.3018	8.7878	9.4569	0.78
Class 'C-H' Accumulation	4,559,190.255	10.5604	9.5754	10.1840	0.79
Class 'C-H' Distribution	3,577,520.795	7.5070	7.2967	8.3033	0.79
Class 'CI' Accumulation	7,611,471.287	13.1190	11.5557	11.6208	0.74
Class 'CI-H' Accumulation	5,472,224.097	10.5964	9.6011	10.2084	0.75
Class 'CI-H' Distribution	4,600.000	8.6913	8.4426	9.6023	0.75
Class 'JI-H' Distribution	1,954,504.959	8.6408	8.3855	9.3148	0.65
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	5,775.521	9.7024	8.8210	9.2033	1.45
Class 'A-H M' Distribution	6,161.464	8.3314	8.1290	9.0525	1.46
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H M F1' Distribution	10,890.327	107.6228	108.3617	127.9167	1.44
Class 'X-H M F1' Distribution	3,106.795	104.8433	106.7040	127.1955	2.44

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Sterling</b>		<b>£</b>	<b>£</b>	<b>£</b>	
Class 'C' Accumulation	1,000.000	10.4702	9.4744	9.1731	0.76
Class 'C' Distribution	138,676.343	8.7580	8.4997	8.8027	0.78
Class 'CI' Accumulation	4,600.000	10.4867	9.4892	9.1833	0.73
Class 'CI' Distribution	17,846.360	8.7435	8.4820	8.7815	0.74
Class 'JI-H' Distribution	4,958,752.138	8.9080	8.5406	9.3417	0.65
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A' Accumulation	54,049.213	10.9586	9.9241	10.3381	1.42
Class 'A-H' Accumulation	10,092.047	9.8461	9.1854	9.8798	1.44
Class 'C' Accumulation	17,093.123	11.3586	10.2210	10.5777	0.78
Class 'C-H' Accumulation	470,634.001	10.2195	9.4624	10.1168	0.80
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	2,214,580.891	11.5744	10.3471	10.6940	1.43
Class 'A' Distribution	634,860.372	8.2223	7.8817	8.7150	1.42
Class 'A M' Distribution	332,467.246	8.3376	7.9981	8.8182	1.43
Class 'A M F' Distribution	114,476.292	70.0897	70.1502	81.0249	1.42
Class 'C' Accumulation	35,405,741.901	11.9966	10.6561	10.9430	0.78
Class 'C' Distribution	626,434.673	8.5278	8.1211	8.9201	0.78
Class 'C M' Distribution	1,023,513.402	8.6329	8.2270	9.0098	0.77
Class 'CI' Accumulation	177,338,514.474	12.0265	10.6778	10.9603	0.73
Class 'JI' Distribution	4,808,442.019	9.1664	8.7165	9.3547	0.64
Class 'X' Accumulation	1,000.000	9.7426	8.7940	9.1757	2.42
Class 'X M' Distribution	60,141.398	8.0850	7.8329	8.7239	2.42
Class 'X M F' Distribution	115,522.244	67.6587	68.4269	79.8943	2.42
Class 'ZI' Accumulation	16,308,305.800	11.9285	10.5279	10.7418	0.14

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	3,626,734	3,058,104	3,072,997
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>3,626,734</b>	<b>3,058,104</b>	<b>3,072,997</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Emerging market (EM) debt posted solid returns during the review period, largely due to a powerful year-end rally in the fourth quarter of 2023 amid market expectations of interest rate cuts in developed markets (DM).

EMs, however, continue to be ahead of DM central banks in terms of their monetary easing cycle. After raising interest rates early to combat inflation, well ahead of their DM peers, EM central banks have embarked on reducing interest rates, and in some cases, quite aggressively.

Despite markets scaling back their expectations for rate cuts in 2024 of late, EM debt, notably the hard currency (HC) segment, recovered amid a broad risk-on environment. High yield (HY) bonds, those rated below investment grade as they are considered to be riskier, outperformed investment grade markets which reflects the broad spread tightening seen across the market.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of the JPM EMBI Global Diversified Index across all of its share classes in the period under review. The benchmark returned 11.94% in euros and 11.28% in US dollars over the period.

The sub-fund's credit and yield curve positioning contributed positively to relative performance. While country allocation was the biggest driver of outperformance, this was partially offset by security selection.

Our above-benchmark (overweight) exposure and security selection in Argentina and Ukraine added to relative returns, as did our off-benchmark exposure to Venezuela which rallied significantly following US sanctions being lifted. Conversely, our underweights in Pakistan, Chile and Peru detracted the most with the former rallying heavily towards the end of the year.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

There were no major changes to the sub-fund's positioning during the period, with HC bonds making up around 95% of assets. We maintained an overweight exposure to the high yield portion of the HC segment. The sub-fund also has a small off-benchmark exposure to local currency bonds.

In HC sovereigns, we started the period by participating in new US dollar-denominated issues from Mauritius Commercial bank and Magyar Export-Import Bank. In 2024, there was a noticeable pickup in primary market activity and we participated in new sovereign issues from several countries including Panama, Serbia and Suriname.

In the secondary market, we added to our holdings in the Dominican Republic, Jamaica and Suriname. We also increased our holdings in off-benchmark euro-denominated bonds from Romania and Serbia. In August, we re-established a position in Montenegro following signs of a more positive outlook for the country. In contrast, we reduced exposure to Guatemala and closed our position in Pakistan earlier in reporting period.

In corporate bonds, we bought new issues including Energean, Dar Al Arkan, Ecopetrol, Anglo American and SK Hynix. In the secondary market, we added to our holdings in companies such as Minerva, WE Soda and Turkish banks. Towards the end of the review period, we reduced credit risk by selling HY names which had performed well recently, such as Mexican cement producer Cemex.

As part of our off-benchmark exposure to local currency bonds, we added Egyptian bonds following the recent devaluation in the currency.

### Outlook

Despite some uncertainty over geopolitical risk, we feel the broader picture is still favourable for EMs in 2024. Economies have been surprisingly resilient: first

## Investment review

adapting to high inflation post-COVID and then to higher interest rates.

With the Federal Reserve expected to cut interest rates in 2024, despite US inflation appearing stickier than expected, we believe there is cause for optimism in EM debt, provided the US dollar does not strengthen any further and risk aversion remains subdued.

While the double-digit returns we saw in 2023 may not be replicated again, EM debt still offers compelling opportunities, in our view, especially for investors facing reinvestment risk from short-dated bonds.

### **Claudia Calich and Charles de Quinsonas**

Co-sub-fund managers

On 1 March 2024 Charles de Quinsonas was appointed co-sub-fund manager.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>94,355</b>	<b>97.42</b>
<b>Debt securities</b>					<b>94,355</b>	<b>97.42</b>
<b>Angola</b>						
<b>'B' credit rated bonds</b>						
Angola (Republic of) 9.375%	1,679,000	US\$	08.05.2048		<b>1,455</b>	<b>1.50</b>
					<b>2,490</b>	<b>2.57</b>
<b>Argentina</b>						
<b>'CCC' credit rated bonds</b>						
Argentina (Republic of) 0.125%	1,910,000	€	09.07.2030		1,000	1.03
Argentina (Republic of) 1.5%	3,253,911	US\$	09.07.2035		1,366	1.41
<b>'CC' credit rated bonds</b>						
Argentina (Republic of) 15.5%	202,925,000	ARS	17.10.2026		<b>124</b>	<b>0.13</b>
<b>Armenia</b>						
<b>'BB' credit rated bonds</b>						
Armenia (Republic of) 3.6%	844,000	US\$	02.02.2031		<b>687</b>	<b>0.71</b>
					<b>1,931</b>	<b>1.99</b>
<b>Azerbaijan</b>						
<b>'BB' credit rated bonds</b>						
Azerbaijan (Republic of) 3.5%	900,000	US\$	01.09.2032		765	0.79
Southern Gas Corridor 6.875%	1,150,000	US\$	24.03.2026		1,166	1.20
<b>Bahamas</b>						
<b>'B' credit rated bonds</b>						
Bahamas (Commonwealth of) 8.95%	786,000	US\$	15.10.2032		<b>762</b>	<b>0.79</b>
<b>Bahrain</b>						
<b>'B' credit rated bonds</b>						
Bahrain (Kingdom of) 5.625%	1,380,000	US\$	30.09.2031		<b>1,304</b>	<b>1.35</b>
<b>Barbados</b>						
<b>'B' credit rated bonds</b>						
Barbados (Republic of) 6.5%	700,000	US\$	01.10.2029		<b>667</b>	<b>0.69</b>
					<b>651</b>	<b>0.67</b>
<b>Benin</b>						
<b>'B' credit rated bonds</b>						
Benin (Republic of) 4.875%	500,000	€	19.01.2032		456	0.47
Benin (Republic of) 7.96%	200,000	US\$	13.02.2038		195	0.20

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Brazil</b>					<b>1,779</b>	<b>1.84</b>
<b>'BB' credit rated bonds</b>					<b>1,779</b>	<b>1.84</b>
Brazil (Federal Republic of) 4.75%	1,300,000	US\$	14.01.2050	976	1.01	
Brazil (Federal Republic of) 7.125%	200,000	US\$	13.05.2054	202	0.21	
Brazil (Federal Republic of) 10%	1,700,000	BRL	01.01.2033	325	0.34	
Globo Comunicação e Participações 5.5%	317,000	US\$	14.01.2032	276	0.28	
<b>Cameroon</b>						
<b>'CCC' credit rated bonds</b>						
Cameroon (Republic of) 5.95%	625,000	€	07.07.2032	523	0.54	
<b>Cayman Islands</b>					<b>2,338</b>	<b>2.41</b>
<b>'BBB' credit rated bonds</b>					<b>374</b>	<b>0.39</b>
DP World Crescent 5.5%	200,000	US\$	13.09.2033	202	0.21	
Meituan 3.05%	200,000	US\$	28.10.2030	172	0.18	
<b>'BB' credit rated bonds</b>					<b>1,119</b>	<b>1.15</b>
Bioceanico Sovereign Certificate 0%	1,114,178	US\$	05.06.2034	820	0.84	
MAF Global Securities 6.375%	300,000	US\$	31.12.2099	299	0.31	
<b>'B' credit rated bonds</b>					<b>604</b>	<b>0.62</b>
Dar Al-Arkan 8%	200,000	US\$	25.02.2029	207	0.21	
IHS Holding 5.625%	200,000	US\$	29.11.2026	186	0.19	
Liberty Costa Rica Senior Secured Finance 10.875%	200,000	US\$	15.01.2031	211	0.22	
<b>'CCC' credit rated bonds</b>						
Maldives Sukuk Issuance 9.875%	250,000	US\$	08.04.2026	216	0.22	
<b>'D' credit rated bonds</b>						
Yuzhou Group Holdings 7.375% <sup>a</sup>	450,000	US\$	13.01.2026	25	0.03	
<b>Chile</b>						
<b>'BB' credit rated bonds</b>						
Banco de Crédito e Inversiones FRN	200,000	US\$	31.12.2099	207	0.21	
<b>Colombia</b>					<b>2,958</b>	<b>3.05</b>
<b>'BB' credit rated bonds</b>					<b>2,958</b>	<b>3.05</b>
Colombia (Republic of) 5.625%	1,750,000	US\$	26.02.2044	1,395	1.44	

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Colombia</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Colombia (Republic of) 6.125%	600,000	US\$	18.01.2041		520	0.53
Colombia (Republic of) 7.5%	341,000	US\$	02.02.2034		348	0.36
Ecopetrol 5.875%	240,000	US\$	02.11.2051		173	0.18
Empresas Publicas de Medellin 8.375%	2,272,000,000	COP	08.11.2027		522	0.54
<b>Costa Rica</b>						
<b>'BB' credit rated bonds</b>						
Costa Rica (Republic of) 6.55%	875,000	US\$	03.04.2034		<b>906</b>	<b>0.94</b>
					<b>2,948</b>	<b>3.04</b>
<b>Dominican Republic</b>						
					<b>2,948</b>	<b>3.04</b>
<b>'BB' credit rated bonds</b>						
Dominican (Republic of) 4.875%	2,000,000	US\$	23.09.2032		1,796	1.85
Dominican (Republic of) 5.5%	700,000	US\$	22.02.2029		681	0.70
Dominican (Republic of) 13.625%	23,000,000	DOP	03.02.2033		471	0.49
<b>Ecuador</b>						
					<b>1,906</b>	<b>1.97</b>
<b>'B' credit rated bonds</b>						
					<b>1,906</b>	<b>1.97</b>
Ecuador (Republic of) 2.5%	1,242,508	US\$	31.07.2040		607	0.63
Ecuador (Republic of) 3.5%	2,455,021	US\$	31.07.2035		1,299	1.34
					<b>2,770</b>	<b>2.86</b>
<b>Egypt</b>						
					<b>2,770</b>	<b>2.86</b>
<b>'B' credit rated bonds</b>						
Egypt (Republic of) 0%	24,350,000	EGP	18.03.2025		406	0.42
Egypt (Republic of) 8.5%	700,000	US\$	31.01.2047		557	0.57
Egypt (Republic of) 8.7002%	2,220,000	US\$	01.03.2049		1,807	1.87
<b>El Salvador</b>						
<b>'CCC' credit rated bonds</b>						
El Salvador (Republic of) 9.5%	1,000,000	US\$	15.07.2052		<b>832</b>	<b>0.86</b>
<b>Gabon</b>						
<b>'B' credit rated bonds</b>						
Gabon (Republic of) 6.625%	1,200,000	US\$	06.02.2031		<b>1,028</b>	<b>1.06</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Georgia</b>						
<b>'BB' credit rated bonds</b>						
Georgia (Republic of) 2.75%	512,000	US\$	22.04.2026		<b>477</b>	<b>0.49</b>
					<b>853</b>	<b>0.88</b>
<b>Ghana</b>						
<b>'D' credit rated bonds</b>						
Ghana (Republic of) 7.75%	600,000	US\$	07.04.2029		311	0.32
Ghana (Republic of) 8.125%	1,050,000	US\$	26.03.2032		542	0.56
					<b>1,440</b>	<b>1.49</b>
<b>Guatemala</b>						
<b>'BB' credit rated bonds</b>						
Guatemala (Republic of) 4.65%	987,000	US\$	07.10.2041		795	0.82
Guatemala (Republic of) 6.125%	693,000	US\$	01.06.2050		645	0.67
					<b>1,440</b>	<b>1.49</b>
<b>Honduras</b>						
<b>'BB' credit rated bonds</b>						
Honduras (Republic of) 5.625%	1,000,000	US\$	24.06.2030		<b>891</b>	<b>0.92</b>
<b>Hong Kong</b>						
<b>'BBB' credit rated bonds</b>						
Lenovo Group 3.421%	275,000	US\$	02.11.2030		<b>241</b>	<b>0.25</b>
					<b>1,407</b>	<b>1.45</b>
<b>Hungary</b>						
<b>'BBB' credit rated bonds</b>						
Hungary (Republic of) 6.25%	676,000	US\$	22.09.2032		704	0.73
Magyar Export-Import Bank 6%	200,000	€	16.05.2029		228	0.23
Magyar Export-Import Bank 6.125%	251,000	US\$	04.12.2027		253	0.26
MVM Energetika 6.5%	223,000	US\$	13.03.2031		222	0.23
					<b>1,407</b>	<b>1.45</b>
<b>India</b>						
<b>'B' credit rated bonds</b>						
Delhi International Airport 6.125%	200,000	US\$	31.10.2026		<b>198</b>	<b>0.20</b>
					<b>2,969</b>	<b>3.07</b>
<b>Indonesia</b>						
<b>'BBB' credit rated bonds</b>						
Freeport Indonesia 5.315%	200,000	US\$	14.04.2032		195	0.20
Indofood CBP 3.398%	400,000	US\$	09.06.2031		348	0.36
Indonesia (Republic of) 5.65%	400,000	US\$	11.01.2053		417	0.43

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Indonesia</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Perusahaan Listrik Negara 4.875%	2,370,000	US\$	17.07.2049		2,009	2.08
<b>Iraq</b>						
<b>'B' credit rated bonds</b>						
Iraq (Republic of) 5.8%	303,000	US\$	15.01.2028		286	0.30
<b>Ireland</b>						
<b>'D' credit rated bonds</b>						
GTLK Europe Capital 5.125% <sup>b</sup>	2,127,000	US\$	31.05.2024		0	0.00
Sovcombank Via SovCom Capital FRN <sup>b</sup>	450,000	US\$	07.04.2030		0	0.00
<b>Israel</b>						
<b>'BB' credit rated bonds</b>						
Energean Israel Finance 8.5%	148,148	US\$	30.09.2033		147	0.15
<b>Ivory Coast</b>						
<b>'BB' credit rated bonds</b>						
Côte d'Ivoire (Republic of) 6.625%	1,066,000	€	22.03.2048		940	0.97
<b>Jamaica</b>						
<b>'BB' credit rated bonds</b>						
Jamaica (Commonwealth of) 7.875%	720,000	US\$	28.07.2045		849	0.88
Jamaica (Commonwealth of) 8%	200,000	US\$	15.03.2039		238	0.24
Jamaica (Commonwealth of) 9.625%	67,000,000	JMD	03.11.2030		463	0.48
<b>Jersey</b>						
<b>'CCC' credit rated bonds</b>						
Oriflame Investment Holding 5.125%	200,000	US\$	04.05.2026		54	0.06
<b>Jordan</b>						
<b>'B' credit rated bonds</b>						
Jordan (Kingdom of) 7.375%	1,070,000	US\$	10.10.2047		948	0.98
<b>Kazakhstan</b>						
<b>'BBB' credit rated bonds</b>						
Kazakhstan (Republic of) 4.875%	800,000	US\$	14.10.2044		764	0.79
KazMunayGas National 6.375%	1,300,000	US\$	24.10.2048		1,215	1.25

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Kenya</b>						
<b>'B' credit rated bonds</b>						
Kenya (Republic of) 8.25%	1,250,000	US\$	28.02.2048		<b>1,078</b>	<b>1.11</b>
<b>Lebanon</b>						
<b>'D' credit rated bonds</b>						
Lebanon (Republic of) 7.05% <sup>a</sup>	3,200,000	US\$	02.11.2035		<b>215</b>	<b>0.22</b>
					<b>1,609</b>	<b>1.66</b>
<b>Luxembourg</b>						
<b>'A' credit rated bonds</b>						
EIG Pearl Holdings 3.545%	200,000	US\$	31.08.2036		<b>171</b>	<b>0.17</b>
<b>'BBB' credit rated bonds</b>						
Nexa Resources 5.375%	200,000	US\$	04.05.2027		<b>195</b>	<b>0.20</b>
					<b>1,159</b>	<b>1.20</b>
<b>'BB' credit rated bonds</b>						
Aegea Finance 9%	200,000	US\$	20.01.2031		212	0.22
Millicom International Cellular 4.5%	400,000	US\$	27.04.2031		343	0.35
Minerva Luxembourg 8.875%	400,000	US\$	13.09.2033		423	0.44
Rede D'Or Finance 4.5%	200,000	US\$	22.01.2030		181	0.19
<b>'CCC' credit rated bonds</b>						
Kenbourne Invest 4.7%	229,000	US\$	22.01.2028		<b>84</b>	<b>0.09</b>
<b>Macedonia</b>						
<b>'BB' credit rated bonds</b>						
Macedonia (Republic of) 6.96%	500,000	€	13.03.2027		<b>565</b>	<b>0.58</b>
					<b>2,308</b>	<b>2.38</b>
<b>Mexico</b>						
<b>'BBB' credit rated bonds</b>						
Mexico (United Mexican States) 5.625%	750,000	£	19.03.2114		727	0.75
Petróleos Mexicanos 7.69%	1,450,000	US\$	23.01.2050		1,042	1.07
					<b>539</b>	<b>0.56</b>
<b>'BB' credit rated bonds</b>						
Grupo KUO 5.75%	400,000	US\$	07.07.2027		377	0.39
Metalsa 3.75%	200,000	US\$	04.05.2031		162	0.17
					<b>1,193</b>	<b>1.23</b>
<b>Mongolia</b>						
<b>'B' credit rated bonds</b>						
Mongolia (Republic of) 4.45%	410,000	US\$	07.07.2031		349	0.36

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Mongolia</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Mongolia (Republic of) 8.65%	800,000	US\$	19.01.2028		844	0.87
<b>Montenegro</b>						
<b>'B' credit rated bonds</b>						
Montenegro (Republic of) 2.55%	500,000	€	03.10.2029		464	0.48
<b>Morocco</b>						
<b>'BB' credit rated bonds</b>						
Morocco (Kingdom of) 5.5%	900,000	US\$	11.12.2042		794	0.82
<b>Mozambique</b>						
<b>'CCC' credit rated bonds</b>						
Mozambique (Republic of) 9%	1,000,000	US\$	15.09.2031		859	0.89
<b>Namibia</b>						
<b>'BB' credit rated bonds</b>						
Namibia (Republic of) 5.25%	435,000	US\$	29.10.2025		432	0.45
<b>Netherlands (The)</b>						
<b>'BBB' credit rated bonds</b>						
Prosus 3.832%	400,000	US\$	08.02.2051		247	0.26
<b>Nigeria</b>						
					1,795	1.85
<b>'B' credit rated bonds</b>						
					1,795	1.85
Nigeria (Federal Republic of) 7.875%	400,000	US\$	16.02.2032		363	0.37
Nigeria (Federal Republic of) 8.747%	1,477,000	US\$	21.01.2031		1,432	1.48
<b>Oman</b>						
<b>'BB' credit rated bonds</b>						
Oman (Sultanate of) 6.5%	2,525,000	US\$	08.03.2047		2,552	2.64
<b>Panama</b>						
					1,800	1.86
<b>'BBB' credit rated bonds</b>						
					1,800	1.86
Panama (Republic of) 6.375%	133,000	US\$	25.07.2033		125	0.13
Panama (Republic of) 6.4%	700,000	US\$	14.02.2035		673	0.70
Panama (Republic of) 7.5%	516,000	US\$	01.03.2031		541	0.56
Panama (Republic of) 7.875%	200,000	US\$	01.03.2057		206	0.21

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Panama</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Panama (Republic of) 8%	240,000	US\$	01.03.2038		255	0.26
<b>Papua New Guinea</b>						
<b>'B' credit rated bonds</b>						
Papua New Guinea (Commonwealth of) 8.375%	685,000	US\$	04.10.2028		<b>648</b>	<b>0.67</b>
<b>Paraguay</b>						
					<b>1,228</b>	<b>1.27</b>
<b>'BB' credit rated bonds</b>						
					<b>1,228</b>	<b>1.27</b>
Paraguay (Republic of) 6.1%	940,000	US\$	11.08.2044		915	0.95
Paraguay (Republic of) 7.9%	2,231,000,000	PYG	09.02.2031		313	0.32
<b>Peru</b>						
					<b>619</b>	<b>0.64</b>
<b>'BBB' credit rated bonds</b>						
					<b>619</b>	<b>0.64</b>
Banco de Crédito del Perú FRN	200,000	US\$	01.07.2030		191	0.20
Hunt Oil Company of Peru 8.55%	400,000	US\$	18.09.2033		428	0.44
<b>Poland</b>						
					<b>766</b>	<b>0.79</b>
<b>'A' credit rated bonds</b>						
					<b>537</b>	<b>0.55</b>
Poland (Republic of) 4.125%	284,000	€	11.01.2044		313	0.32
Poland (Republic of) 4.25%	200,000	€	14.02.2043		224	0.23
<b>'BB' credit rated bonds</b>						
mBank FRN	200,000	€	11.09.2027		<b>229</b>	<b>0.24</b>
<b>Qatar</b>						
					<b>1,918</b>	<b>1.98</b>
<b>'AA' credit rated bonds</b>						
					<b>1,918</b>	<b>1.98</b>
Qatar Petroleum 3.125%	1,433,000	US\$	12.07.2041		1,070	1.10
QatarEnergy 3.3%	1,200,000	US\$	12.07.2051		848	0.88
<b>Romania</b>						
<b>'BBB' credit rated bonds</b>						
Romania (Republic of) 2.875%	2,100,000	€	13.04.2042		<b>1,552</b>	<b>1.60</b>
<b>Russia</b>						
<b>'D' credit rated bonds</b>						
Russia (Federation of) 5.25%	1,200,000	US\$	23.06.2047		<b>626</b>	<b>0.65</b>

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Rwanda</b>						
<b>'B' credit rated bonds</b>						
Rwanda (Republic of) 5.5%	620,000	US\$	09.08.2031		<b>505</b>	<b>0.52</b>
<b>Saudi Arabia</b>						
<b>'A' credit rated bonds</b>						
Saudi (Kingdom of) 3.45%	1,200,000	US\$	02.02.2061		<b>800</b>	<b>0.83</b>
<b>Senegal</b>						
<b>'B' credit rated bonds</b>						
Senegal (Republic of) 6.75%	820,000	US\$	13.03.2048		<b>611</b>	<b>0.63</b>
<b>Serbia</b>						
<b>'BB' credit rated bonds</b>						
Serbia (Republic of) 2.05%	1,243,000	€	23.09.2036		<b>940</b>	<b>0.97</b>
<b>Singapore</b>						
<b>'A' credit rated bonds</b>						
BOC Aviation 3.875%	400,000	US\$	27.04.2026		<b>388</b>	<b>0.40</b>
<b>South Africa</b>						
<b>'BB' credit rated bonds</b>						
South Africa (Republic of) 5.375%	1,926,000	US\$	24.07.2044		<b>1,389</b>	<b>1.43</b>
<b>'B' credit rated bonds</b>						
Eskom Holdings 7.125%	950,000	US\$	11.02.2025		<b>945</b>	<b>0.98</b>
<b>South Korea</b>						
<b>'BBB' credit rated bonds</b>						
SK Hynix 2.375%	400,000	US\$	19.01.2031		<b>329</b>	<b>0.34</b>
<b>Sri Lanka</b>						
<b>'D' credit rated bonds</b>						
Sri Lanka (Republic of) 7.85%	1,800,000	US\$	14.03.2029		<b>1,064</b>	<b>1.10</b>
<b>Supranational</b>						
<b>'AAA' credit rated bonds</b>						
European Bank for Reconstruction & Development 5%	37,000,000	INR	15.01.2026		<b>430</b>	<b>0.44</b>
International Bank for Reconstruction & Development 13.5%	150,000,000	KZT	03.07.2025		<b>337</b>	<b>0.35</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Suriname</b>						
<b>'CCC' credit rated bonds</b>						
Suriname (Republic of) 7.95%	752,708	US\$	15.07.2033		<b>689</b>	<b>0.71</b>
<b>Tajikistan</b>						
<b>'B' credit rated bonds</b>						
Tajikistan (Republic of) 7.125%	1,200,000	US\$	14.09.2027		<b>1,104</b>	<b>1.14</b>
<b>Trinidad And Tobago</b>						
<b>'BB' credit rated bonds</b>						
Heritage Petroleum 9%	500,000	US\$	12.08.2029		<b>527</b>	<b>0.54</b>
<b>Tunisia</b>						
<b>'CCC' credit rated bonds</b>						
Tunisia (Republic of) 5.75%	550,000	US\$	30.01.2025		<b>520</b>	<b>0.54</b>
<b>Turkey</b>						
<b>'B' credit rated bonds</b>						
					<b>4,492</b>	<b>4.64</b>
Aydem Yenilenebilir Enerji 7.75%	200,000	US\$	02.02.2027		193	0.20
Hazine Mustesarligi Varlik Kiralama 8.5091%	247,000	US\$	14.01.2029		262	0.27
TC Ziraat Bankasi 8%	200,000	US\$	16.01.2029		203	0.21
Turkey (Republic of) 5.25%	900,000	US\$	13.03.2030		814	0.84
Turkey (Republic of) 5.75%	2,000,000	US\$	11.05.2047		1,518	1.57
Turkey (Republic of) 7.625%	500,000	US\$	15.05.2034		501	0.52
Turkey (Republic of) 9.375%	712,000	US\$	19.01.2033		792	0.82
Turkiye Ihracat Kredi Bankasi 9%	200,000	US\$	28.01.2027		209	0.21
<b>United Kingdom</b>						
<b>'BBB' credit rated bonds</b>						
Anglo American Capital 5.5%	200,000	US\$	02.05.2033		<b>199</b>	<b>0.21</b>
<b>'BB' credit rated bonds</b>						
WE Soda Investments Holding 9.5%	200,000	US\$	06.10.2028		<b>208</b>	<b>0.21</b>
<b>'C' credit rated bonds</b>						
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	1,800,000	US\$	08.11.2028		<b>1,095</b>	<b>1.13</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Ukraine</b>					<b>920</b>	<b>0.95</b>
<b>'CCC' credit rated bonds</b>					<b>486</b>	<b>0.50</b>
Ukraine (Republic of) 7.375%	1,300,000	US\$	25.09.2034		383	0.39
Ukraine (Republic of) 15.5%	4,700,000	UAH	02.10.2024		103	0.11
<b>'CC' credit rated bonds</b>						
Ukraine (Republic of) 12.7%	20,000,000	UAH	30.10.2024		<b>434</b>	<b>0.45</b>
<b>United Arab Emirates</b>					<b>2,593</b>	<b>2.68</b>
<b>'A' credit rated bonds</b>						
Masdar Abu Dhabi Future Energy 4.875%	200,000	US\$	25.07.2033		<b>197</b>	<b>0.20</b>
<b>'BBB' credit rated bonds</b>					<b>1,133</b>	<b>1.17</b>
Aldar Investment Properties 4.875%	400,000	US\$	24.05.2033		391	0.40
Sharjah (Emirate of) 4%	525,000	US\$	28.07.2050		347	0.36
Sharjah (Emirate of) 6.125%	392,000	US\$	06.03.2036		395	0.41
<b>Bonds with no credit rating</b>						
Dubai (Emirate of) 3.9%	1,702,000	US\$	09.09.2050		<b>1,263</b>	<b>1.31</b>
<b>Uruguay</b>						
<b>'BBB' credit rated bonds</b>						
Uruguay (Republic of) 3.875%	12,000,000	UYU	02.07.2040		<b>444</b>	<b>0.46</b>
<b>United States</b>					<b>3,080</b>	<b>3.18</b>
<b>'AA' credit rated bonds</b>					<b>2,688</b>	<b>2.78</b>
US Treasury Bond 1.375%	2,550,000	US\$	15.08.2050		1,343	1.39
US Treasury Note 4.625%	1,350,000	US\$	28.02.2025		1,345	1.39
<b>'BBB' credit rated bonds</b>						
Bimbo Bakeries USA 5.375%	200,000	US\$	09.01.2036		<b>198</b>	<b>0.20</b>
<b>'B' credit rated bonds</b>						
Kosmos Energy 7.5%	200,000	US\$	01.03.2028		<b>194</b>	<b>0.20</b>
<b>Uzbekistan</b>					<b>1,564</b>	<b>1.61</b>
<b>'BB' credit rated bonds</b>					<b>1,564</b>	<b>1.61</b>
Uzbekistan (Republic of) 3.9%	1,148,000	US\$	19.10.2031		948	0.98
Uzbekistan (Republic of) 7.85%	400,000	US\$	12.10.2028		419	0.43
Uzbekistan (Republic of) 16.25%	2,500,000,000	UZS	12.10.2026		197	0.20

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt securities (continued)</b>						
<b>Venezuela</b>					<b>1,090</b>	<b>1.13</b>
<b>'C' credit rated bonds</b>						
Venezuela (Republic of) 9.25% <sup>a</sup>	3,200,000	US\$	07.05.2028		<b>518</b>	<b>0.54</b>
<b>Bonds with no credit rating</b>						
Petróleos de Venezuela 6% <sup>a</sup>	6,000,000	US\$	15.11.2026		<b>572</b>	<b>0.59</b>
<b>Vietnam</b>						
<b>Bonds with no credit rating</b>						
Viet Nam Debt & Asset Trading 1%	1,800,000	US\$	10.10.2025		<b>1,622</b>	<b>1.67</b>
<b>Zambia</b>					<b>680</b>	<b>0.70</b>
<b>'D' credit rated bonds</b>						
Zambia (Republic of) 5.375% <sup>a</sup>	300,000	US\$	20.09.2022		200	0.21
Zambia (Republic of) 8.97%	650,000	US\$	30.07.2027		480	0.49
<b>Currency</b>					<b>50</b>	<b>0.05</b>
<b>Forward currency contracts</b>					<b>50</b>	<b>0.05</b>
Bought for CLP 400,000,000.00, Sold for US\$ 435,540.07			10.04.2024	406	(29)	(0.03)
Bought for € 264,263.42, Sold for CZK 6,700,000.00			29.05.2024	570	0	0.00
Bought for € 3,932,000.00, Sold for US\$ 4,265,492.97			29.05.2024	4,241	(15)	(0.01)
Bought for US\$ 342,635.60, Sold for CZK 8,000,000.00			29.05.2024	341	2	0.00
Bought for US\$ 11,777,932.37, Sold for € 10,813,692.69			29.05.2024	11,662	89	0.09
Bought for US\$ 602,481.64, Sold for £ 475,000.00			29.05.2024	599	3	0.00
<b>Portfolio of investments</b>					<b>94,405</b>	<b>97.47</b>
<b>Share class hedging</b>					<b>(15)</b>	<b>(0.02)</b>
Bought for CHF 79,670.08, Sold for US\$ 89,024.80			24.04.2024	88	0	0.00
Bought for € 2,909,504.53, Sold for US\$ 3,154,883.41			24.04.2024	3,138	(15)	(0.02)
Bought for US\$ 2,024.77, Sold for CHF 1,812.47			24.04.2024	2	0	0.00
Bought for US\$ 126,242.28, Sold for € 116,454.06			24.04.2024	125	0	0.00
<b>Total portfolio</b>					<b>94,390</b>	<b>97.45</b>
Net other assets/(liabilities)					2,465	2.55
<b>Net assets</b>					<b>96,855</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Debt securities	94,355	97.42
Unrealised gains on forward currency contracts	94	0.09
<b>Total Investment assets</b>	<b>94,449</b>	<b>97.51</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(59)	(0.06)
<b>Total Investment liabilities</b>	<b>(59)</b>	<b>(0.06)</b>
<b>Total portfolio</b>	<b>94,390</b>	<b>97.45</b>
<b>Net other assets/(liabilities)</b>	<b>2,465</b>	<b>2.55</b>
<b>Net assets</b>	<b>96,855</b>	<b>100.00</b>

<sup>a</sup> Defaulted bond.

<sup>b</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts US\$'000
Barclays Bank London	2
National Australia Bank Ltd	93
State Street Bank and Trust Company	1

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+17.6	+1.9	+1.7	+2.1	22.05.17
Class 'A' Distribution	+17.7	+1.9	+1.7	+2.1	22.05.17
Class 'A-H' Accumulation	+14.4	-3.2	-1.3	-0.9	22.05.17
Class 'A-H' Distribution	+14.4	-3.2	-1.3	-0.9	22.05.17
Class 'C' Accumulation	+18.7	+2.8	+2.6	+3.0	22.05.17
Class 'C' Distribution	+18.7	+2.8	+2.7	+3.0	22.05.17
Class 'C-H' Accumulation	+16.5	-2.0	-0.2	+0.1	22.05.17
Class 'C-H' Distribution	+15.5	-2.3	-0.4	0.0	22.05.17
Class 'CI' Accumulation	+18.7	+2.9	n/a	+1.9	15.07.19
Class 'CI-H' Accumulation	+15.4	-2.3	-0.4	-0.1	22.02.19
Class 'LI' Accumulation	+19.1	+3.1	+3.0	+4.5	27.09.18
<b>Sterling</b>					
Class 'C' Accumulation	+15.5	+2.9	+2.6	+2.9	22.05.17
Class 'C' Distribution	+15.5	+3.0	+2.6	+2.9	22.05.17
<b>Swiss franc</b>					
Class 'A-H' Accumulation	+12.0	-4.0	-1.9	-1.4	22.05.17
Class 'A-H' Distribution	+12.1	-4.0	-1.9	-1.4	22.05.17
Class 'C-H' Accumulation	+13.0	-3.1	-1.0	-0.5	22.05.17
Class 'C-H' Distribution	+13.1	-3.1	-1.0	-0.5	22.05.17
<b>US dollar</b>					
Class 'A' Accumulation	+16.7	-0.9	+0.9	+1.5	22.05.17
Class 'A' Distribution	+16.7	-0.9	+0.9	+1.5	22.05.17
Class 'C' Accumulation	+17.7	0.0	+1.8	+2.4	22.05.17
Class 'C' Distribution	+17.8	0.0	+1.8	+2.4	22.05.17
Class 'CI' Accumulation	+17.8	0.0	+1.8	+2.5	22.05.17

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	36,322.951	11.5329	9.8044	10.6131	1.70
Class 'A' Distribution	10,668.985	7.7157	7.0683	8.1111	1.70
Class 'A-H' Accumulation	10,821.100	9.4109	8.2286	9.4288	1.72
Class 'A-H' Distribution	32,506.879	6.2936	5.9333	7.2096	1.72
Class 'C' Accumulation	64,782.942	12.2684	10.3356	11.0882	0.80
Class 'C' Distribution	1,000.000	8.2048	7.4471	8.4669	0.79
Class 'C-H' Accumulation	2,293.868	10.0992	8.6722	9.8509	0.77
Class 'C-H' Distribution	2,515.000	6.6925	6.2516	7.5268	0.81
Class 'CI' Accumulation	4,600.000	10.9435	9.2176	9.8848	0.77
Class 'CI-H' Accumulation	249,618.282	9.9370	8.6087	9.7762	0.78
Class 'LI' Accumulation	666,763.301	12.7274	10.6838	11.4281	0.40 <sup>b</sup>
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	1,228.307	12.1546	10.5195	10.8579	0.80
Class 'C' Distribution	1,000.000	8.1317	7.5830	8.2992	0.80
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,520.000	9.0657	8.0950	9.3268	1.72
Class 'A-H' Distribution	2,525.000	6.0612	5.8386	7.1348	1.72
Class 'C-H' Accumulation	2,530.000	9.6455	8.5361	9.7451	0.82
Class 'C-H' Distribution	2,535.000	6.4497	6.1565	7.4539	0.82

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	92,849.000	11.0793	9.4941	10.4900	1.70
Class 'A' Distribution	22,095.514	7.4110	6.8437	8.0144	1.70
Class 'C' Accumulation	999.322	11.7835	10.0082	10.9539	0.81
Class 'C' Distribution	1,000.000	7.8873	7.2161	8.3752	0.75
Class 'CI' Accumulation	6,929,652.911	11.8137	10.0297	10.9780	0.77

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

<sup>b</sup> The annual management charge decreased from 0.35% to 0.15% effective 17 October 2023.

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	96,855	71,010	158,011
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>96,855</b>	<b>71,010</b>	<b>158,011</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The period under review can be broken into three main phases for the sub-fund: an initial stage of relative calm in markets from the start of the period until the summer, a bout of episodic volatility emerging from bond markets in the second half of 2023, and an episode in Chinese equity markets in the early months of 2024. 'Episodes' are typically phases of excess volatility in markets which create opportunities for the strategy to buy into panic or sell into complacency.

The sub-fund was patiently positioned in the initial phase, generating modest positive return from a deliberately diversified portfolio. In the second phase there were initial losses at the sub-fund level as bond market weakness became extended, but adding long exposures as yields rose allowed the sub-fund to perform particularly well in the last two months of 2023. Returns in the early months of 2024 were relatively muted, with losses from long duration exposure being partially offset by gains from the portfolio's equity theme and currency positions.

The sub-fund generated a positive return over the period as a whole but underperformed the benchmark, which returned 7.91% in euros and 9.67% in US dollars over the same period. The main positive contributors were long exposures to German and emerging market government bonds added in response to the bond episode, short exposure to the euro and Japanese yen versus high carry currencies, and long exposure to banking sector equity in Europe and the US.

There were losses from long exposure to US long-dated Treasuries, and short exposure to the US equity market held as part of a relative value theme (though the contribution from that theme was positive overall). Weakness in the Turkish lira and Chilean peso also proved detrimental.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activity

The sub-fund began the period with a diversified and less aggressively positioned portfolio, reflecting an environment in which valuations appeared relatively normal and volatility was muted. Modest long exposure to US long dated Treasuries was held alongside a relative value equity theme made up of short exposure to the US market against long exposure elsewhere, and a currency basket reflecting a preference for diversified high carry currencies versus short exposure to low carry counterparts.

From the summer onward the main shift in the portfolio was increasing long duration exposure as the bond sell intensified. Long bond exposures were increased and diversified across regions and across the curve. Long duration in portfolio reached a peak exposure of 14 years in early November. As yields subsequently declined sharply, duration was reduced later in November 2023, while emerging market bond positions would be closed in March 2024 following some strong gains. The sub-fund finished the period with duration close to 7 years.

At the same time as bond duration had been increased in early November, the portfolio had moved to a net long position in aggregate equity, while retaining short exposure to the US. This net long was increased in December, and more significantly in January, as long exposure was added to Chinese and Hong Kong equity markets following episodic declines. Following strong gains in those markets, this China theme was reduced and the portfolio ended the period with 10% long exposure to the theme.

Exposure to a currency carry basket was held throughout the period but was reduced and rebalanced modestly as the carry on offer on long positions declined and short exposures such as the Yen weakened significantly. These shifts benefited the sub-fund but reduced the attractiveness of the theme from a value standpoint.

# Investment review

## Outlook

The valuation of risk assets, signs of return-seeking behaviour, and a general lack of volatility suggest that investors are far more comfortable with risk than they have been for much of the past two years. While the environment is not so extreme as to constitute a bubble, and the fundamental backdrop remains supportive, it does seem that there is very little compensation for risks of adverse scenarios.

The pricing of US and other government bonds also suggests that prevailing sentiment is unconcerned about either the risks of further increases in inflation, or a material future growth declines. In the case of the latter, the high real yields on offer at present suggest that there is scope for fixed income assets to do well should the current growth optimism be challenged.

One notable exception to this relaxed sentiment has been the Chinese equity market, which has displayed signs of panic, and provided an opportunity for the episode strategy in January 2024. After several years of extremely surprising macro and market developments, similar tactical opportunities for the sub-fund could emerge should the current consensus be shocked again.

## David Fishwick

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product

do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>11,842</b>	<b>2.33</b>
<b>Investment banking &amp; brokerage services</b>					<b>11,583</b>	<b>2.28</b>
<b>Equity portfolios</b>						
iShares MSCI Brazil UCITS ETF	220,006	£			5,672	1.12
Xtrackers MSCI Mexico UCITS ETF	806,413	€			5,911	1.16
<b>Equity derivatives</b>					<b>259</b>	<b>0.05</b>
<b>Equity index futures</b>					<b>259</b>	<b>0.05</b>
Hang Seng China Enterprises Index Futures	1,134	HK\$	29.04.2024	42,106	288	0.06
Hang Seng Stock Index Futures	434	HK\$	29.04.2024	45,873	(37)	(0.01)
Korean Stock Exchange Futures	75	KRW	13.06.2024	5,198	205	0.04
DAX Index Futures	11	€	21.06.2024	5,484	222	0.04
DJ Euro Stoxx 50 Futures	751	€	21.06.2024	5,641	527	0.11
FTSE 100 Index Futures	110	£	21.06.2024	11,033	262	0.05
S&P MINI 500 Futures	(301)	US\$	21.06.2024	79,090	(1,208)	(0.24)
<b>Fixed income</b>					<b>460,434</b>	<b>90.62</b>
<b>Debt securities</b>					<b>458,887</b>	<b>90.32</b>
<b>'AA' credit rated bonds</b>					<b>458,887</b>	<b>90.32</b>
US Treasury Bill 0%	53,682,400	US\$	04.04.2024		53,629	10.55
US Treasury Bill 0%	59,284,900	US\$	25.04.2024		59,042	11.62
US Treasury Bill 0%	65,377,300	US\$	16.05.2024		64,911	12.78
US Treasury Bill 0%	53,721,000	US\$	13.06.2024		53,122	10.45
US Treasury Bill 0%	50,755,000	US\$	27.06.2024		50,086	9.86
US Treasury Bill 0%	58,502,700	US\$	18.07.2024		57,566	11.33
US Treasury Bill 0%	53,741,000	US\$	05.09.2024		52,513	10.34
US Treasury Bill 0%	36,050,000	US\$	19.09.2024		35,153	6.92
US Treasury Bill 0%	33,745,000	US\$	03.10.2024		32,865	6.47
<b>Debt derivatives</b>					<b>1,547</b>	<b>0.30</b>
<b>Interest rate futures</b>					<b>1,547</b>	<b>0.30</b>
Deutscher Buxl 30 year Futures	182	€	06.06.2024	154	567	0.11
US Ultra Bond Futures	786	US\$	18.06.2024	840	330	0.07
UK Treasury Notes Futures	210	£	26.06.2024	270	634	0.12
US Treasury Notes 5 year Futures	2,317	US\$	28.06.2024	2,327	16	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency</b>					<b>388</b>	<b>0.08</b>
<b>Forward currency contracts</b>					<b>388</b>	<b>0.08</b>
Bought for BRL 34,512,187.95, Sold for US\$ 6,930,955.05			23.04.2024	6,909	(36)	(0.01)
Bought for CLP 11,849,461,289.00, Sold for US\$ 12,957,169.73			23.04.2024	12,036	(931)	(0.18)
Bought for IDR 222,274,746,157.00, Sold for US\$ 14,244,328.95			23.04.2024	14,020	(253)	(0.05)
Bought for US\$ 11,991,682.65, Sold for CLP 11,849,461,289.00			23.04.2024	12,036	(34)	(0.01)
Bought for US\$ 19,359,282.05, Sold for IDR 302,953,404,880.00			23.04.2024	19,108	290	0.06
Bought for CNY 20,756,452.49, Sold for US\$ 2,924,420.85			30.04.2024	2,872	(9)	0.00
Bought for COP 30,670,183,942.31, Sold for US\$ 7,746,384.82			30.04.2024	7,935	150	0.03
Bought for CZK 40,897,664.92, Sold for US\$ 1,762,115.31			30.04.2024	1,742	(21)	0.00
Bought for € 8,245,976.59, Sold for US\$ 9,018,971.11			30.04.2024	8,893	(116)	(0.02)
Bought for £ 1,291,557.70, Sold for US\$ 1,621,278.17			30.04.2024	1,629	8	0.00
Bought for HUF 3,934,853,100.00, Sold for US\$ 10,870,729.90			30.04.2024	10,725	(165)	(0.03)
Bought for ¥ 1,245,030,195.00, Sold for US\$ 8,407,668.11			30.04.2024	8,225	(146)	(0.03)
Bought for MXN 110,414,709.06, Sold for US\$ 6,494,101.79			30.04.2024	6,660	137	0.03
Bought for MYR 13,392,525.57, Sold for US\$ 2,853,530.61			30.04.2024	2,830	(41)	(0.01)
Bought for PLN 8,929,757.85, Sold for US\$ 2,266,406.37			30.04.2024	2,232	(35)	(0.01)
Bought for SG\$ 11,928,999.47, Sold for US\$ 8,935,914.81			30.04.2024	8,828	(96)	(0.02)
Bought for THB 130,319,306.27, Sold for US\$ 3,674,589.21			30.04.2024	3,572	(95)	(0.02)
Bought for US\$ 9,272,652.42, Sold for CHF 7,917,406.05			30.04.2024	8,742	505	0.10
Bought for US\$ 10,852,070.67, Sold for CNY 77,063,162.83			30.04.2024	10,662	25	0.00
Bought for US\$ 1,785,339.51, Sold for CZK 40,897,664.92			30.04.2024	1,742	44	0.01
Bought for US\$ 14,037,869.05, Sold for € 12,918,482.54			30.04.2024	13,932	91	0.02
Bought for US\$ 4,141,941.67, Sold for £ 3,259,413.18			30.04.2024	4,111	30	0.01
Bought for US\$ 10,856,264.59, Sold for HUF 3,934,853,100.00			30.04.2024	10,725	151	0.03
Bought for US\$ 18,062,585.82, Sold for ¥ 2,632,446,315.00			30.04.2024	17,391	594	0.12
Bought for US\$ 4,306,642.01, Sold for MXN 75,027,621.06			30.04.2024	4,525	(199)	(0.04)
Bought for US\$ 2,849,837.33, Sold for MYR 13,392,525.57			30.04.2024	2,830	37	0.01
Bought for US\$ 2,214,279.77, Sold for PLN 8,929,757.85			30.04.2024	2,232	(17)	0.00
Bought for US\$ 8,931,632.81, Sold for SG\$ 11,928,999.47			30.04.2024	8,828	92	0.02
Bought for US\$ 11,471,329.32, Sold for THB 405,626,204.70			30.04.2024	11,117	329	0.06
Bought for US\$ 8,850,269.45, Sold for TW\$ 273,765,385.00			30.04.2024	8,554	290	0.06
Bought for US\$ 3,091,969.34, Sold for ZAR 58,517,525.18			30.04.2024	3,071	28	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency (continued)</b>						
<b>Forward currency contracts (continued)</b>						
Bought for ZAR 203,819,159.03, Sold for US\$ 10,819,568.80			30.04.2024	10,696	(147)	(0.03)
Bought for TRY 287,700,685.36, Sold for US\$ 8,582,443.93			08.05.2024	8,899	(72)	(0.02)
<b>Portfolio of investments</b>					<b>472,664</b>	<b>93.03</b>
<b>Share class hedging</b>					<b>(1,467)</b>	<b>(0.29)</b>
Bought for CHF 8,169,874.97, Sold for US\$ 9,129,167.93			24.04.2024	9,021	(88)	(0.02)
Bought for € 207,183,438.98, Sold for US\$ 224,656,846.89			24.04.2024	223,435	(1,030)	(0.20)
Bought for £ 116,848,475.90, Sold for US\$ 147,705,237.17			24.04.2024	147,375	(314)	(0.06)
Bought for ¥ 3,273,955,597.00, Sold for US\$ 21,743,600.01			24.04.2024	21,630	(38)	(0.01)
Bought for SG\$ 963,924.68, Sold for US\$ 717,358.84			24.04.2024	714	(3)	0.00
Bought for US\$ 274,886.31, Sold for CHF 246,070.13			24.04.2024	272	3	0.00
Bought for US\$ 889,861.08, Sold for € 820,990.37			24.04.2024	885	2	0.00
Bought for US\$ 629,447.96, Sold for £ 497,969.11			24.04.2024	628	1	0.00
Bought for US\$ 189,251.53, Sold for ¥ 28,510,800.00			24.04.2024	188	0	0.00
Bought for US\$ 2,638.18, Sold for SG\$ 3,545.29			24.04.2024	3	0	0.00
<b>Total portfolio</b>					<b>471,197</b>	<b>92.74</b>
Net other assets/(liabilities)					36,862	7.26
<b>Net assets</b>					<b>508,059</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity portfolios	11,583	2.28
Debt securities	458,887	90.32
Unrealised gains on futures contracts	3,051	0.60
Unrealised gains on forward currency contracts	2,807	0.56
<b>Total Investment assets</b>	<b>476,328</b>	<b>93.76</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(1,245)	(0.25)
Unrealised losses on forward currency contracts	(3,886)	(0.77)
<b>Total Investment liabilities</b>	<b>(5,131)</b>	<b>(1.02)</b>
<b>Total portfolio</b>	<b>471,197</b>	<b>92.74</b>
<b>Net other assets/(liabilities)</b>	<b>36,862</b>	<b>7.26</b>
<b>Net assets</b>	<b>508,059</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures		
	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	0	3,052	0
Barclays Bank London	1,020	0	0
BNP Paribas	594	0	0
HSBC Bank Plc	582	0	0
JPMorgan London	390	0	0
State Street Bank and Trust Company	8	0	2,030
State Street Bank and Trust Company, London Branch	28	0	0
UBS AG London	189	0	580

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'B-H' Accumulation	+2.1	+6.1	+4.9	+3.3	19.04.12	26.10.18
Class 'C-H' Accumulation	n/a	n/a	n/a	+4.1 <sup>b</sup>	n/a	24.08.23
Class 'S-H' Accumulation	+2.6	+6.6	+5.4	+3.7	03.06.10	26.10.18
Class 'SI-H' Accumulation	+2.6	+6.7	n/a	+6.1	n/a	14.07.20
Class 'T-H' Accumulation	+3.6	+6.2	+5.4	+3.7	03.06.10	26.10.18
Class 'TI-H' Accumulation	+3.6	+6.7	+5.9	+3.8	03.06.10	06.11.18
<b>Japanese yen</b>						
Class 'TI-H' Accumulation	-0.3	n/a	n/a	-0.2	n/a	22.02.23
<b>Singapore dollar</b>						
Class 'S-H' Accumulation	n/a	n/a	n/a	+4.5 <sup>b</sup>	n/a	17.08.23

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Sterling</b>						
Class 'C-H' Accumulation	n/a	n/a	n/a	+4.9 <sup>b</sup>	n/a	24.08.23
Class 'S-H' Accumulation	+3.9	+8.0	n/a	+7.3	n/a	14.07.20
Class 'SI-H' Accumulation	+3.9	+8.0	n/a	+7.3	n/a	14.07.20
Class 'T-H' Accumulation	+4.9	+7.9	+6.9	+6.5	n/a	22.02.19
Class 'TI-H' Accumulation	+4.9	+7.9	+7.0	+7.4	n/a	17.12.18
<b>Swiss franc</b>						
Class 'S-H' Accumulation	+0.4	+5.6	+4.7	+4.5	28.09.12	26.10.18
Class 'T-H' Accumulation	+1.3	+5.6	+5.2	+5.2	28.09.12	26.10.18
<b>US dollar</b>						
Class 'C' Accumulation	n/a	n/a	n/a	+5.3 <sup>b</sup>	n/a	24.08.23
Class 'S' Accumulation	+4.6	+8.5	+7.4	+5.1	03.06.10	26.10.18
Class 'T' Accumulation	+5.6	+8.5	+7.8	+5.7	03.06.10	26.10.18
Class 'TI' Accumulation	+5.6	+8.5	+7.8	+5.7	03.06.10	06.11.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Episode Macro Fund, which includes UK taxes but excludes entry and exit charges. The M&G Episode Macro Fund is a UK authorised sub-fund which launched on 3 June 2010 and its non-Sterling share classes merged into M&G (Lux) Episode Macro Fund on 26 October 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'B-H' Accumulation	2,429,040.841	14.6982	14.3963	13.0795	2.49
Class 'C-H' Accumulation	2,000.000	10.4132	n/a	n/a	1.30
Class 'S-H' Accumulation	1,249,545.064	16.6222	16.2077	14.6512	1.99
Class 'SI-H' Accumulation	7,685,583.315	12.4651	12.1456	10.9691	1.96
Class 'T-H' Accumulation	1,218,394.779	16.4162	15.8409	14.4823	0.99
Class 'TI-H' Accumulation	2,474,027.934	13.3258	12.8566	11.7425	0.96
<b>Japanese yen</b>		¥	¥	¥	
Class 'TI-H' Accumulation	3,235,746.000	998.7816	1,002.0573	n/a	0.96
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'S-H' Accumulation	92,570.739	10.4532	n/a	n/a	2.11
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	2,000.000	10.4895	n/a	n/a	1.30
Class 'S-H' Accumulation	379,618.492	12.9770	12.4913	11.0867	2.00
Class 'SI-H' Accumulation	7,119,417.597	13.0043	12.5103	11.0999	1.96
Class 'T-H' Accumulation	226,498.906	13.8135	13.1654	11.8207	1.01
Class 'TI-H' Accumulation	1,000,279.815	14.5884	13.9062	12.4967	0.96
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'S-H' Accumulation	9,202.949	16.6844	16.6209	15.1129	1.99
Class 'T-H' Accumulation	431,639.413	17.8878	17.6505	16.2128	1.00
<b>US dollar</b>		US\$	US\$	US\$	
Class 'C' Accumulation	1,000.000	10.5287	n/a	n/a	1.27
Class 'S' Accumulation	1,083,582.781	19.9070	19.0319	16.7770	1.98
Class 'T' Accumulation	730,197.324	21.4067	20.2776	18.0905	0.98
Class 'TI' Accumulation	4,966,546.639	14.7699	13.9863	12.4732	0.94

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

# Financial highlights

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	508,059	433,636	342,703
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>508,059</b>	<b>433,636</b>	<b>342,703</b>



# Investment review

## For the year ended 31 March 2024

### Performance review

The global fixed income market, including European corporate bonds, delivered solid returns in the period under review, as inflation moderated, and major central banks reached the end of their tightening cycle. European corporate bonds outperformed their US counterparts, and European high-yield issuers delivered superior returns when compared with investment grade.

Bond investor sentiment improved significantly amidst a broad market rally at the end of 2023. Indications of a dovish pivot in monetary policy from the US Federal Reserve sparked a powerful two-month rally in core government bonds, benefiting all segments of the fixed income market.

The rally in bond markets at the end of 2023 faded in the first quarter of 2024 as investors pushed back their timing for potential interest rate cuts by central banks. The European Central Bank (ECB) remained cautious regarding interest rate cuts at its March meeting. Markets are still pricing in three cuts this year, as inflation data continues to cool.

Over the review period, the sub-fund primarily held investment grade corporate bonds (86% of the sub-fund at the end of the period), which outperformed government bonds (3% of the sub-fund). The sub-fund's focus is on European corporate bonds: while marginally weaker than their UK counterparts, European corporate bonds broadly outperformed the US market in the period under review. High-yield corporate bonds brought greater returns than their investment grade counterparts.

Banks, which typically perform well in a high-interest environment, make up a significant proportion of the sub-fund's investments, followed by utilities: the largest individual issuers are French banks Crédit Agricole and Banque Federative du Crédit Mutuel. BBB was the sub-fund's largest credit rating exposure at the end of the period.

The sub-fund delivered positive returns across all share classes for the period under review and outperformed its benchmark, which returned 6.78% in euros and 4.46% in US dollars over the same period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

The sub-fund follows a dynamic, diversified investment approach, considering macroeconomic, asset, sector, geographic and stock-level factors. From 15 February 2023, the sub-fund's objective, investment policy and strategy were updated to introduce a set of environmental, social and governance (ESG) exclusions.

We continue to monitor and adjust the sub-fund's duration (a measure of its sensitivity to interest rates): at the end of the period, the sub-fund's duration was slightly longer than the benchmark, therefore slightly more sensitive to changes in interest rates.

Flows into corporate bonds have been supported by all-in yields, but at current valuations excess returns look more challenging. We continue to see some value in investment grade credit spreads at current levels, which in our view still offers sufficient compensation for the risk of default. We have increased the credit quality of the portfolio in anticipation of a deterioration in macroeconomic conditions.

Sector-wise, we are constructive on financials, structured credit and REITs on a name-by-name basis. We remain underweight consumer sensitive sectors - autos, basic industries and consumer goods - on concerns about tight spreads and consumer balance sheets deteriorating.

### Outlook

The macroeconomic environment remains supportive for European investment grade corporate bonds, in our view. Inflationary pressures are slowly easing, while economies are growing, albeit at a slower pace. Yields remain historically high and rate cuts are now expected later this year, which should be supportive for fixed income investments in general.

# Investment review

High-yield spreads remain unexciting, but yields are still attractive, in our view, with scope for absolute returns and carry. With moderate rate cuts, contained spreads and a mild default environment, the asset class could still deliver high-single-digit returns over 12 months.

## Stefan Isaacs and Matthew Russell

Co-sub-fund managers

At the start of the review period Gareth Jandrell was co-sub-fund manager. He was replaced on 1 January 2024 by Matthew Russell.

Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>169,895</b>	<b>97.83</b>
<b>Debt securities</b>					<b>169,897</b>	<b>97.83</b>
<b>'AAA' credit rated bonds</b>					<b>17,101</b>	<b>9.85</b>
Avoca CLO XXV FRN	1,535,000	€	15.10.2034		1,518	0.87
BPCE SFH 3%	500,000	€	15.01.2031		501	0.29
Cairn CLO XIV FRN	1,800,000	€	29.10.2034		1,787	1.03
CIFC European Funding CLO V FRN	2,000,000	€	23.11.2034		1,981	1.14
Commerzbank 2.75%	746,000	€	09.01.2031		737	0.42
Erste Group Bank 2.875%	500,000	€	09.01.2031		494	0.28
Germany (Federal Republic of) 0%	550,000	€	15.05.2035		424	0.24
Germany (Federal Republic of) 0%	2,100,000	€	15.05.2036		1,576	0.91
Germany (Federal Republic of) 0.25%	1,513,565	€	15.02.2027		1,419	0.82
Germany (Federal Republic of) 5.5%	170,000	€	04.01.2031		204	0.12
Lloyds Bank 0.125%	686,000	€	18.06.2026		640	0.37
Lloyds Bank 4.875%	422,000	£	30.03.2027		497	0.29
Microsoft 3.5%	1,336,000	US\$	12.02.2035		1,138	0.66
New York Life Global Funding 3.625%	734,000	€	09.01.2030		748	0.43
Novo Banco 3.25%	600,000	€	01.03.2027		600	0.35
Royal Bank of Canada 0.01%	1,000,000	€	27.01.2031		811	0.47
Santander UK 3%	400,000	€	12.03.2029		400	0.23
Temasek Financial I 0.5%	1,238,000	€	20.11.2031		1,013	0.58
TSB Bank 3.319%	350,000	€	05.03.2029		353	0.20
Wellcome Trust 1.125%	274,000	€	21.01.2027		260	0.15
<b>'AA' credit rated bonds</b>					<b>17,438</b>	<b>10.04</b>
Banco Santander Totta 3.25%	300,000	€	15.02.2031		301	0.17
Berkshire Hathaway 1.125%	1,970,000	€	16.03.2027		1,853	1.07
Berkshire Hathaway Finance 1.5%	440,000	€	18.03.2030		401	0.23
Deutsche Bahn Finance 0.375%	850,000	€	23.06.2029		747	0.43
Deutsche Bahn Finance 1.375%	898,000	€	03.03.2034		764	0.44
Deutsche Bahn Finance 3.625%	323,000	€	18.12.2037		334	0.19
Euroclear Bank 0.125%	868,000	€	07.07.2025		832	0.48
France (Republic of) 1.25%	860,000	€	25.05.2036		712	0.41
LVMH Moët Hennessy Louis Vuitton 3.25%	1,200,000	€	07.09.2029		1,213	0.70

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
MassMutual Global Funding II 3.75%	800,000	€	19.01.2030		814	0.47
Metropolitan Life Global Funding I 0.375%	1,494,000	€	09.04.2024		1,493	0.86
Metropolitan Life Global Funding I 2.95%	254,000	US\$	09.04.2030		209	0.12
Metropolitan Life Global Funding I 3.625%	492,000	€	26.03.2034		497	0.29
Metropolitan Life Global Funding I 3.75%	876,000	€	05.12.2030		899	0.52
NBN 4.375%	641,000	€	15.03.2033		686	0.39
Nestlé Finance International 3%	388,000	€	23.01.2031		387	0.22
Nestlé Holdings 0.875%	510,000	€	18.07.2025		494	0.28
New York Life Global Funding 0.25%	778,000	€	23.01.2027		717	0.41
Roche Finance Europe 0.875%	865,000	€	25.02.2025		845	0.49
Siemens Financieringsmaatschappij 2.875%	550,000	€	10.03.2028		551	0.32
Svenska Handelsbanken 0.05%	780,000	€	06.09.2028		680	0.39
Walmart 4.875%	1,180,000	€	21.09.2029		1,294	0.75
Zürcher Kantonalbank FRN	700,000	€	15.09.2027		715	0.41
<b>'A' credit rated bonds</b>					<b>56,705</b>	<b>32.65</b>
Aena 4.25%	100,000	€	13.10.2030		105	0.06
AIB Group FRN	516,000	€	23.10.2031		556	0.32
ALD 3.875%	300,000	€	22.02.2027		301	0.17
Anheuser-Busch InBev 3.95%	315,000	€	22.03.2044		320	0.18
AstraZeneca 3.75%	462,000	€	03.03.2032		481	0.28
Banco Santander 3.875%	1,200,000	€	16.01.2028		1,215	0.70
Banco Santander 4.25%	800,000	€	12.06.2030		834	0.48
Bank of America FRN	1,570,000	€	24.08.2028		1,421	0.82
Banque Fédérative du Crédit Mutuel 0.625%	1,500,000	€	03.11.2028		1,311	0.75
Banque Fédérative du Crédit Mutuel 3.125%	700,000	€	14.09.2027		693	0.40
BNP Paribas FRN	1,100,000	€	23.02.2029		1,118	0.64
BNP Paribas FRN	1,000,000	€	10.01.2031		1,023	0.59
Booking Holdings 0.5%	343,000	€	08.03.2028		309	0.18
Booking Holdings 3.5%	433,000	€	01.03.2029		437	0.25
BP Capital Markets 0.933%	459,000	€	04.12.2040		300	0.17

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
BP Capital Markets 2.822%	1,430,000	€	07.04.2032		1,367	0.79
BPCE FRN	800,000	€	02.03.2029		739	0.43
BPCE 3.875%	200,000	€	25.01.2036		203	0.12
BPCE 4.5%	300,000	€	13.01.2033		315	0.18
Chubb INA Holdings 0.875%	888,000	€	15.12.2029		778	0.45
Chubb INA Holdings 1.55%	425,000	€	15.03.2028		397	0.23
Comcast 0%	792,000	€	14.09.2026		730	0.42
Crédit Agricole FRN	500,000	€	21.09.2029		437	0.25
Crédit Agricole 0.375%	1,500,000	€	20.04.2028		1,327	0.76
Crédit Agricole 1.375%	400,000	€	03.05.2027		378	0.22
Crédit Agricole 1.875%	1,100,000	€	20.12.2026		1,056	0.61
Deutsche Bank 4%	500,000	€	29.11.2027		509	0.29
DH Europe Finance II 0.75%	1,910,000	€	18.09.2031		1,603	0.92
Diageo Finance 1.875%	944,000	€	27.03.2027		909	0.52
East Japan Railway 4.11%	501,000	€	22.02.2043		525	0.30
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	319,000	€	29.09.2047		306	0.18
EnBW International Finance 4%	593,000	€	24.01.2035		609	0.35
EnBW International Finance 4.049%	267,000	€	22.11.2029		278	0.16
Engie 3.75%	500,000	€	06.09.2027		506	0.29
Engie 4%	500,000	€	11.01.2035		514	0.30
Eni 0.375%	645,000	€	14.06.2028		570	0.33
Eni 3.625%	352,000	€	19.05.2027		354	0.20
Great-West Lifeco 4.7%	428,000	€	16.11.2029		456	0.26
Hannover Rück FRN	400,000	€	26.08.2043		451	0.26
Honeywell International 2.25%	800,000	€	22.02.2028		775	0.45
Honeywell International 3.5%	620,000	€	17.05.2027		625	0.36
HSBC Holdings 0.875%	1,419,000	€	06.09.2024		1,401	0.81
ING Groep FRN	400,000	€	16.02.2027		382	0.22
ING Groep FRN	700,000	€	29.09.2028		625	0.36
ING Groep FRN	1,000,000	€	18.02.2029		876	0.50

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
JPMorgan Chase FRN	1,050,000	€	24.02.2028		961	0.55
JPMorgan Chase FRN	993,000	€	25.07.2031		856	0.49
Linde 3.375%	500,000	€	12.06.2029		505	0.29
Lloyds Banking Group FRN	823,000	€	11.01.2029		850	0.49
Medtronic Global Holdings 1.125%	700,000	€	07.03.2027		658	0.38
Medtronic Global Holdings 1.5%	880,000	€	02.07.2039		669	0.38
Mercedes-Benz Finance 1%	731,000	€	11.11.2025		706	0.41
Morgan Stanley FRN	840,000	€	29.10.2027		775	0.45
Morgan Stanley FRN	1,600,000	€	26.10.2029		1,395	0.80
Motability Operations Group 3.625%	319,000	€	24.07.2029		323	0.19
National Gas Transmission 4.25%	864,000	€	05.04.2030		888	0.51
Nationwide Building Society 2%	801,000	€	28.04.2027		768	0.44
Nationwide Building Society 3.25%	418,000	€	05.09.2029		416	0.24
Nationwide Building Society 4.5%	314,000	€	01.11.2026		322	0.18
Prologis Euro Finance 4.25%	388,000	€	31.01.2043		389	0.22
Prologis International Funding II 1.625%	318,000	€	17.06.2032		268	0.15
Prologis International Funding II 1.876%	780,000	€	17.04.2025		765	0.44
Raiffeisen Bank International 4.125%	300,000	€	08.09.2025		300	0.17
RTE Réseau de Transport d'Électricité 0%	1,100,000	€	09.09.2027		985	0.57
RTE Réseau de Transport d'Électricité 0.625%	300,000	€	08.07.2032		242	0.14
Santander Consumer Bank 0.125%	700,000	€	11.09.2024		688	0.40
Santander Consumer Bank 0.25%	700,000	€	15.10.2024		687	0.40
Santander Consumer Finance 0.375%	1,400,000	€	27.06.2024		1,388	0.80
SAP 0.75%	900,000	€	10.12.2024		882	0.51
Shell International Finance 0.5%	700,000	€	08.11.2031		573	0.33
Siemens Financieringsmaatschappij 0.5%	500,000	€	20.02.2032		411	0.24
Siemens Financieringsmaatschappij 3.625%	600,000	€	24.02.2043		607	0.35
TenneT Holding 3.875%	900,000	€	28.10.2028		934	0.54
TotalEnergies FRN	1,000,000	€	31.12.2099		934	0.54
Toyota Finance Australia 0.25%	1,160,000	€	09.04.2024		1,159	0.67

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
UBS Group FRN	930,000	€	17.04.2025		929	0.53
UBS Group FRN	642,000	€	11.01.2031		661	0.38
UBS Group FRN	720,000	€	02.04.2032		675	0.39
UBS Group 0.65%	520,000	€	10.09.2029		446	0.26
Unilever Finance Netherlands 3.5%	271,000	€	15.02.2037		275	0.16
Vesteda Finance 0.75%	346,000	€	18.10.2031		281	0.16
Yorkshire Building Society FRN	523,000	£	12.09.2027		635	0.37
Yorkshire Building Society 0.625%	1,121,000	€	21.09.2025		1,074	0.62
<b>'BBB' credit rated bonds</b>					<b>74,403</b>	<b>42.84</b>
ABN AMRO Bank 0.6%	800,000	€	15.01.2027		740	0.43
ABN AMRO Bank 4.375%	700,000	€	20.10.2028		724	0.42
ACEF Holding 0.75%	487,000	€	14.06.2028		424	0.24
Achmea 1.5%	200,000	€	26.05.2027		188	0.11
AIB Group FRN	318,000	€	23.07.2029		328	0.19
Alimentation Couche-Tard 3.647%	119,000	€	12.05.2031		119	0.07
Alstom 0.5%	700,000	€	27.07.2030		567	0.33
American Tower 0.95%	600,000	€	05.10.2030		507	0.29
Arkema 4.25%	300,000	€	20.05.2030		312	0.18
Aroundtown 0.375%	500,000	€	15.04.2027		419	0.24
Aroundtown 1.45%	700,000	€	09.07.2028		577	0.33
ASR Nederland FRN	660,000	€	02.05.2049		624	0.36
ASR Nederland 3.625%	125,000	€	12.12.2028		125	0.07
AT&T 1.6%	655,000	€	19.05.2028		614	0.35
Australia Pacific Airports 4%	366,000	€	07.06.2034		371	0.21
Autostrade per l'Italia 2.25%	800,000	€	25.01.2032		706	0.41
Autostrade per l'Italia 4.25%	144,000	€	28.06.2032		145	0.08
Autostrade per l'Italia 5.125%	255,000	€	14.06.2033		272	0.16
Banco de Sabadell FRN	1,100,000	€	16.06.2028		1,005	0.58
Bank of Ireland Group FRN	225,000	€	16.07.2028		233	0.13
Banque Fédérative du Crédit Mutuel FRN	1,000,000	€	16.06.2032		989	0.57

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Banque Fédérative du Crédit Mutuel 1.125%	400,000	€	19.11.2031		323	0.19
Barclays FRN	664,000	€	09.06.2025		660	0.38
Barclays FRN	1,170,000	€	09.08.2029		1,018	0.59
Bayer 1%	600,000	€	12.01.2036		424	0.24
Bayer 4.625%	550,000	€	26.05.2033		568	0.33
Bayerische Landesbank FRN	400,000	€	23.09.2031		357	0.21
Bayerische Landesbank FRN	400,000	€	05.01.2034		425	0.24
Bevco Lux 1%	565,000	€	16.01.2030		478	0.27
Boston Scientific 0.625%	711,000	€	01.12.2027		646	0.37
BPCE 1.375%	600,000	€	23.03.2026		574	0.33
CA Immobilien Anlagen 1%	500,000	€	27.10.2025		464	0.27
CaixaBank FRN	340,000	US\$	18.01.2029		321	0.18
CaixaBank FRN	500,000	€	09.02.2029		444	0.26
CaixaBank FRN	400,000	€	09.02.2032		405	0.23
CaixaBank 1.375%	600,000	€	19.06.2026		570	0.33
CBRE Global Investors Open-Ended Funds 0.5%	798,000	€	27.01.2028		699	0.40
CBRE Global Investors Open-Ended Funds 0.9%	614,000	€	12.10.2029		520	0.30
Citigroup FRN	488,000	€	08.10.2027		452	0.26
Coentreprise de Transport d'Électricité 1.5%	900,000	€	29.07.2028		831	0.48
CPI Property Group 1.75%	1,400,000	€	14.01.2030		1,021	0.59
Crédit Agricole Assurances 1.5%	900,000	€	06.10.2031		749	0.43
Crelan FRN	500,000	€	28.02.2030		535	0.31
Crelan FRN	400,000	€	23.01.2032		415	0.24
Deutsche Bank FRN	300,000	€	24.05.2028		293	0.17
Deutsche Bank FRN	500,000	€	04.04.2030		499	0.29
Deutsche Bank FRN	300,000	€	24.06.2032		291	0.17
Deutsche Pfandbriefbank 0.25%	600,000	€	27.10.2025		530	0.30
Deutsche Pfandbriefbank 7.625%	500,000	£	08.12.2025		562	0.32
E.ON 2.875%	514,000	€	26.08.2028		509	0.29
E.ON 3.5%	481,000	€	25.03.2032		482	0.28

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
E.ON International Finance 1.5%	1,000,000	€	31.07.2029		915	0.53
EDP Servicios Financieros Espana 3.5%	239,000	€	16.07.2030		239	0.14
Électricité de France 4.375%	600,000	€	12.10.2029		623	0.36
Électricité de France 4.75%	500,000	€	12.10.2034		536	0.31
EnBW Energie Baden-Württemberg FRN	1,100,000	€	31.08.2081		956	0.55
Enel Finance International 0.875%	1,250,000	€	28.09.2034		951	0.55
Enel Finance International 4.875%	900,000	US\$	14.06.2029		829	0.48
Enel Finance International 7.5%	291,000	US\$	14.10.2032		304	0.17
Engie 3.875%	300,000	€	06.03.2036		305	0.18
Engie 5.95%	360,000	€	16.03.2111		463	0.27
Eurofins Scientific 4.75%	171,000	€	06.09.2030		179	0.10
Eurogrid 1.5%	900,000	€	18.04.2028		833	0.48
EWE 0.25%	800,000	€	08.06.2028		701	0.40
Fidelity National Information Services 2%	1,000,000	€	21.05.2030		915	0.53
Heimstaden Bostad Treasury 0.75%	632,000	€	06.09.2029		456	0.26
Heimstaden Bostad Treasury 1.625%	576,000	€	13.10.2031		405	0.23
Iccrea Banca FRN	248,000	€	05.02.2030		250	0.14
IHG Finance 4.375%	196,000	€	28.11.2029		203	0.12
Infineon Technologies 1.625%	600,000	€	24.06.2029		553	0.32
ING Groep FRN	500,000	€	16.11.2032		450	0.26
Intesa Sanpaolo 4%	660,000	US\$	23.09.2029		565	0.33
Intesa Sanpaolo 5.125%	480,000	€	29.08.2031		521	0.30
Intesa Sanpaolo 5.625%	500,000	€	08.03.2033		554	0.32
Islandsbanki 7.375%	363,000	€	17.05.2026		381	0.22
Italy (Republic of) 4.35%	400,000	€	01.11.2033		424	0.24
Johnson Controls International 1.375%	1,046,000	€	25.02.2025		1,024	0.59
Kojamo 0.875%	981,000	€	28.05.2029		813	0.47
Lloyds Banking Group FRN	294,000	€	12.11.2025		288	0.17
Lloyds Banking Group FRN	229,000	£	03.12.2035		218	0.13
Logicor Financing 1.625%	780,000	€	15.07.2027		714	0.41

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
McDonald's 3.625%	376,000	€	28.11.2027		380	0.22
Mexico (United Mexican States) 4.4899%	423,000	€	25.05.2032		431	0.25
Mitchells & Butlers Finance FRN	1,027,539	£	15.12.2033		1,044	0.60
Molnlycke Holding 0.875%	325,000	€	05.09.2029		280	0.16
Mondeléz International 0.25%	967,000	€	17.03.2028		860	0.49
Mondeléz International Holdings Netherlands 0.875%	897,000	€	01.10.2031		749	0.43
National Grid 0.25%	584,000	€	01.09.2028		508	0.29
National Grid North America 1.054%	650,000	€	20.01.2031		548	0.32
NatWest Group FRN	530,000	€	14.09.2029		466	0.27
NN Group FRN	880,000	€	31.12.2099		883	0.51
Orange 1.125%	300,000	€	15.07.2024		298	0.17
Ørsted 1.5%	500,000	€	26.11.2029		451	0.26
Prosus 1.288%	634,000	€	13.07.2029		538	0.31
Quadiant 2.25%	700,000	€	03.02.2025		687	0.40
Raiffeisen Bank International FRN	200,000	€	21.08.2029		200	0.11
Raiffeisen Bank International FRN	300,000	€	20.12.2032		313	0.18
RCI Banque 2%	390,000	€	11.07.2024		388	0.22
Rentokil Initial Finance 4.375%	122,000	€	27.06.2030		128	0.07
Repsol International Finance FRN	980,000	€	31.12.2099		963	0.55
Repsol International Finance FRN	558,000	€	31.12.2099		526	0.30
RWE 2.75%	600,000	€	24.05.2030		575	0.33
RWE 4.125%	310,000	€	13.02.2035		322	0.19
Santander UK Group Holdings FRN	846,000	€	13.09.2029		739	0.43
SES 3.5%	1,000,000	€	14.01.2029		983	0.57
Smurfit Kappa Treasury 1.5%	940,000	€	15.09.2027		878	0.51
Société Générale 1.25%	500,000	€	12.06.2030		433	0.25
Société Générale 1.75%	900,000	€	22.03.2029		823	0.47
Sofina 1%	600,000	€	23.09.2028		528	0.30
Standard Chartered FRN	1,570,000	€	23.09.2031		1,436	0.83
Swiss Re Finance UK FRN	300,000	€	04.06.2052		266	0.15

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Sydney Airport Finance 4.375%	447,000	€	03.05.2033		468	0.27
Takeda Pharmaceutical 1.375%	714,000	€	09.07.2032		609	0.35
Terna – Rete Elettrica Nazionale 3.5%	464,000	€	17.01.2031		463	0.27
Thames Water Utilities Finance 4%	500,000	€	18.04.2027		473	0.27
Thames Water Utilities Finance 4.375%	583,000	€	18.01.2031		544	0.31
Traton Finance Luxembourg 0.75%	900,000	€	24.03.2029		783	0.45
Tritax EuroBox 0.95%	326,000	€	02.06.2026		300	0.17
UniCredit FRN	1,100,000	€	17.01.2029		1,146	0.66
UniCredit 4%	800,000	€	05.03.2034		809	0.47
Upjohn Finance 1.908%	530,000	€	23.06.2032		447	0.26
Verizon Communications 3.5%	695,000	€	28.06.2032		696	0.40
Vier Gas Transport 4.625%	300,000	€	26.09.2032		322	0.19
Volkswagen Leasing 0.5%	1,510,000	€	12.01.2029		1,308	0.75
Volkswagen Leasing 4%	900,000	€	11.04.2031		909	0.52
Vonovia 0.625%	1,200,000	€	14.12.2029		997	0.57
Vonovia Finance 2.125%	900,000	€	22.03.2030		808	0.46
Wells Fargo 0.625%	1,370,000	€	25.03.2030		1,153	0.66
Wells Fargo 2%	660,000	€	27.04.2026		638	0.37
Worldline 4.125%	500,000	€	12.09.2028		494	0.28
WPC Eurobond 1.35%	439,000	€	15.04.2028		396	0.23
WPP Finance 3.625%	394,000	€	12.09.2029		394	0.23
<b>'BB' credit rated bonds</b>					<b>4,144</b>	<b>2.39</b>
Alstria office 0.5%	1,000,000	€	26.09.2025		906	0.52
Banco de Sabadell FRN	500,000	€	17.01.2030		489	0.28
BPER Banca FRN	368,000	€	11.09.2029		390	0.23
Eramet 7%	400,000	€	22.05.2028		402	0.23
Intesa Sanpaolo Vita 2.375%	250,000	€	22.12.2030		213	0.12
Novo Banco FRN	100,000	€	01.12.2033		116	0.07
Permanent TSB Group Holdings FRN	359,000	€	25.04.2028		382	0.22
Unicaja Banco FRN	400,000	€	11.09.2028		425	0.25

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Unicaja Banco FRN	300,000	€	22.06.2034		298	0.17
UniCredit FRN	530,000	€	23.09.2029		523	0.30
<b>'D' credit rated bonds</b>					<b>106</b>	<b>0.06</b>
Lehman Brothers Holdings FRN <sup>a</sup>	2,350,000	€	26.09.2040		0	0.00
Silverback Finance 3.1261% <sup>a</sup>	2,650,104	€	25.02.2037		106	0.06
<b>Debt derivatives</b>					<b>(2)</b>	<b>0.00</b>
<b>Interest rate futures</b>					<b>(2)</b>	<b>0.00</b>
Deutscher Bobl 5 year Futures	30	€	06.06.2024	30	11	0.01
Deutscher Schatz 2 year Futures	238	€	06.06.2024	236	(2)	0.00
US Treasury Notes 10 year Futures	(15)	US\$	18.06.2024	14	(3)	0.00
UK Treasury Notes Futures	(3)	£	26.06.2024	4	(8)	(0.01)
US Treasury Notes 5 year Futures	(20)	US\$	28.06.2024	19	0	0.00
<b>Currency</b>					<b>(31)</b>	<b>(0.02)</b>
<b>Forward currency contracts</b>					<b>(31)</b>	<b>(0.02)</b>
Bought for € 3,113,871.26, Sold for £ 2,665,660.35			03.04.2024	3,117	(4)	0.00
Bought for € 4,181,054.18, Sold for US\$ 4,541,394.71			03.04.2024	4,211	(30)	(0.02)
Bought for US\$ 741,313.23, Sold for € 684,395.39			03.04.2024	688	3	0.00
<b>Portfolio of investments</b>					<b>169,864</b>	<b>97.81</b>
<b>Cash equivalents</b>					<b>1,220</b>	<b>0.70</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	1,219,550	€			<b>1,220</b>	<b>0.70</b>
<b>Share class hedging</b>					<b>10</b>	<b>0.01</b>
Bought for CHF 1,306,628.77, Sold for € 1,346,426.44			24.04.2024	1,338	(7)	0.00
Bought for € 27,008.30, Sold for CHF 26,207.77			24.04.2024	27	0	0.00
Bought for US\$ 3,919,137.21, Sold for € 3,614,355.43			24.04.2024	3,634	17	0.01
<b>Total portfolio</b>					<b>171,094</b>	<b>98.52</b>
Net other assets/(liabilities)					2,577	1.48
<b>Net assets</b>					<b>173,671</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Debt securities	169,897	97.83
Unrealised gains on futures contracts	11	0.01
Unrealised gains on forward currency contracts	20	0.01
<b>Total Investment assets</b>	<b>169,928</b>	<b>97.85</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(13)	(0.01)
Unrealised losses on forward currency contracts	(41)	(0.02)
<b>Total Investment liabilities</b>	<b>(54)</b>	<b>(0.03)</b>
<b>Total portfolio</b>	<b>169,874</b>	<b>97.82</b>
<b>Cash equivalents</b>	<b>1,220</b>	<b>0.70</b>
<b>Net other assets/(liabilities)</b>	<b>2,577</b>	<b>1.48</b>
<b>Net assets</b>	<b>173,671</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures		
	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Bank of America Merrill Lynch	0	11	0
Barclays Bank London	2	0	800
Merrill Lynch Pierce Fenner + Smith Inc	3	0	0
State Street Bank and Trust Company	17	0	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+7.2	-2.5	-0.8	+2.7	13.01.03	09.11.18
Class 'A' Distribution	+7.2	-2.5	-0.8	+1.0	12.07.13	09.11.18
Class 'C' Accumulation	+7.4	-2.2	-0.4	+3.3	13.01.03	09.11.18
Class 'C' Distribution	+7.4	-2.2	-0.4	+0.9	08.08.14	09.11.18
Class 'CI' Accumulation	+7.5	-2.1	-0.4	+3.3	13.01.03	19.11.18
Class 'CI' Distribution	+7.5	-2.1	-0.4	-0.2	n/a	22.02.19
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+4.8	-3.5	-1.6	+0.7	28.09.12	09.11.18
Class 'C-H' Accumulation	+5.1	-3.2	-1.2	+1.2	28.09.12	09.11.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A-H' Accumulation	+9.1	-0.7	+1.0	+2.2	08.08.14	09.11.18
Class 'A-H' Distribution	+9.1	-0.7	+1.1	+2.2	08.08.14	09.11.18
Class 'C-H' Accumulation	+9.4	-0.4	+1.4	+2.6	08.08.14	09.11.18
Class 'C-H' Distribution	+9.4	-0.4	+1.5	+2.6	08.08.14	09.11.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G European Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Corporate Bond Fund is a UK authorised sub-fund which launched on 13 January 2003 and its non-Sterling share classes merged into M&G (Lux) Euro Corporate Bond Fund on 9 November 2018.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	5,809,035.442	17.4338	16.2684	17.7263	0.61
Class 'A' Distribution	698,269.558	14.3326	13.7768	15.2654	0.62
Class 'C' Accumulation	1,168,673.884	19.8576	18.4840	20.0896	0.36
Class 'C' Distribution	1,222,500.697	16.5009	15.8213	17.4869	0.36
Class 'CI' Accumulation	1,286,818.091	10.0633	9.3635	10.1730	0.32
Class 'CI' Distribution	121,601.257	9.0608	8.6842	9.5948	0.32
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	64,385.108	10.8595	10.3617	11.3746	0.63
Class 'C-H' Accumulation	51,938.707	11.4322	10.8809	11.9173	0.38
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A-H' Accumulation	258,391.598	12.2902	11.2649	11.9381	0.63
Class 'A-H' Distribution	9,116.532	10.3270	9.7479	10.5057	0.63
Class 'C-H' Accumulation	48,796.516	12.8287	11.7295	12.4016	0.38
Class 'C-H' Distribution	2,265.862	10.6806	10.0528	10.8101	0.38

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	173,671	172,666	320,040
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>173,671</b>	<b>172,666</b>	<b>320,040</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The global fixed income market, including European corporate bonds, delivered solid returns in the period under review, as inflation moderated, and major central banks reached the end of their tightening cycle. European corporate bonds outperformed their US counterparts, and European high-yield issuers delivered superior returns when compared with investment grade. Inflation-linked government bonds Europe ended the period in negative territory.

Over the review period, the sub-fund primarily held a range of fixed interest securities whose returns behave in a similar way to inflation. The sub-fund had a strong bias towards higher-quality investment grade issuers. Over half of the sub-fund was invested in sovereign bonds, while there was also material exposure to the banking sector and mortgage-backed securities.

The sub-fund delivered positive returns across all share classes for the period under review and outperformed its benchmark, the Eurostat Eurozone Harmonised Index of Consumer Prices, which rose by 1.85% over the same period. The sub-fund's duration positioning (a measure of the sub-fund's sensitivity to interest rates) and credit selection were the main drivers of the positive relative performance. This more than offset the negative impact of the weaker performance from our holdings in index-linked bonds.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

Early in the period, we bought some attractive new issues in the primary market, including bonds from Kraft Heinz and National Australia Bank. We also sold a well-performing US dollar bond from telecommunications group AT&T. As the period progressed, we focused on reducing credit risk and reduced exposure to some bonds we felt were trading tight compared to their fundamentals: these included Volkswagen and Bank of Nova Scotia.

Later in the period, with credit spreads tightening (meaning a smaller difference in yield between different-quality bonds of the same maturity date), we continued reducing risk. We trimmed exposure to some good performers including carmaker Volkswagen and banks Santander, Lloyds and BNP.

As eurozone inflation moves towards its 2% target, inflation-linked bonds still provide value, in our view. As well as protecting against long-term inflation risks, eurozone inflation-linked bonds are issued with a 'deflation floor' to prevent losses in the case of deflation. The floor means that, if the bond's price falls below its par value because of deflation, investors still receive the par value at maturity.

### Outlook

Inflation is on a downward trajectory, and we expect this trend to continue to slow down as the effects of restrictive monetary policy impact economic activity. That being said, we are not discounting the possibility of inflation reaccelerating again at some point, and therefore continue to monitor inflationary trends closely and retain inflation protection in the portfolio.

Looking forward, we believe that the sharp rise in interest rates will start to impact the real economy. This increases the likelihood of a consumption-led recession, which could be brought forward by an event such as stress within commercial real estate. The severity of the recession will be dictated by the resilience of the labour market, which has remained tight thus far.

### Matthew Russell and Ben Lord

Co-sub-fund managers

On 5 February 2024 Ben Lord was appointed co-sub-fund manager. Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

# Investment review

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>70,263</b>	<b>93.68</b>
<b>Debt securities</b>					<b>69,518</b>	<b>92.69</b>
<b>'AAA' credit rated bonds</b>					<b>31,567</b>	<b>42.09</b>
Avoca CLO XXV FRN	383,000	€	15.10.2034		379	0.51
Bank of Nova Scotia FRN	900,000	£	09.03.2027		1,054	1.40
Blackrock European CLO XII FRN	500,000	€	17.01.2035		494	0.66
Cairn CLO XIV FRN	500,000	€	29.10.2034		496	0.66
Canada Square Funding FRN	606,025	£	17.01.2059		709	0.95
CIFC European Funding CLO V FRN	500,000	€	23.11.2034		495	0.66
Elstree Funding No. 2 FRN	399,491	£	21.12.2054		467	0.62
Germany (Federal Republic of) I/L 0.1%	16,000,000	€	15.04.2026		19,562	26.08
Harbour FRN	433,520	£	28.01.2054		508	0.68
Lanebrook Mortgage Transaction FRN	240,727	£	20.07.2058		281	0.37
London Wall Mortgage Capital FRN	100,551	£	15.05.2051		117	0.16
London Wall Mortgage Capital FRN	192,833	£	15.05.2052		226	0.30
Mortimer BTL FRN	792,583	£	23.03.2054		931	1.24
Palmer Square European Loan Funding FRN	233,754	€	15.07.2031		232	0.31
Polaris FRN	644,519	£	23.10.2059		754	1.01
Precise Mortgage Funding FRN	12,271	£	16.10.2056		14	0.02
Royal Bank of Canada FRN	700,000	£	18.01.2028		822	1.10
RRE 5 Loan Management FRN	500,000	€	15.01.2037		492	0.66
Stratton BTL Mortgage Funding FRN	375,891	£	20.01.2054		440	0.59
Together Asset Backed Securitisation FRN	77,591	£	15.12.2061		91	0.12
Together Asset Backed Securitisation FRN	219,113	£	12.07.2063		257	0.34
Towd Point Mortgage Funding FRN	1,000,000	£	20.10.2051		1,172	1.56
Tower Bridge Funding FRN	355,574	£	20.11.2063		416	0.55
Tower Bridge Funding FRN	192,528	£	20.12.2063		225	0.30
Tudor Rose Mortgages FRN	296,340	£	20.06.2048		346	0.46
Twin Bridges FRN	502,654	£	12.09.2055		587	0.78
<b>'AA' credit rated bonds</b>					<b>16,902</b>	<b>22.54</b>
E-MAC NL I FRN	91,019	€	25.04.2038		90	0.12
France (Republic of) 0.1%	10,200,000	€	01.03.2029		11,888	15.85
France (Republic of) 0.6%	2,500,000	€	25.07.2034		2,678	3.57

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
Landmark Mortgage Securities No. 2 FRN	260,921	€	17.06.2039		251	0.34
Metropolitan Life Global Funding I 1.625%	836,000	£	12.10.2028		863	1.15
Network Rail Infrastructure Finance 1.75%	350,000	£	22.11.2027		792	1.06
New York Life Global Funding 0.75%	342,000	£	14.12.2028		340	0.45
<b>'A' credit rated bonds</b>					<b>4,538</b>	<b>6.05</b>
Alba FRN	271,475	€	15.12.2038		265	0.35
Bank of America FRN	400,000	€	22.09.2026		403	0.54
Crédit Agricole FRN	400,000	€	11.07.2029		410	0.55
Henkel 1.75%	600,000	US\$	17.11.2026		510	0.68
JPMorgan Chase FRN	400,000	£	28.04.2026		448	0.60
Lloyds Banking Group FRN	1,000,000	US\$	18.03.2026		908	1.21
Morgan Stanley FRN	350,000	€	29.10.2027		323	0.43
NatWest Markets FRN	732,000	US\$	22.03.2025		685	0.91
Newgate Funding FRN	225,652	€	15.12.2050		221	0.29
UBS Group FRN	300,000	£	30.09.2027		365	0.49
<b>'BBB' credit rated bonds</b>					<b>16,364</b>	<b>21.82</b>
AA Bond 5.5%	500,000	£	31.07.2050		570	0.76
AerCap Ireland Capital Via AerCap Global Aviation Trust 2.45%	454,000	US\$	29.10.2026		391	0.52
Autostrade per l'Italia 4.25%	100,000	€	28.06.2032		100	0.13
Barclays FRN	288,000	US\$	09.08.2028		266	0.35
BPCE 6.125%	400,000	£	24.05.2029		480	0.64
CaixaBank FRN	400,000	£	06.04.2028		444	0.59
Citigroup FRN	650,000	US\$	17.03.2026		607	0.81
Citigroup FRN	295,000	€	06.07.2026		286	0.38
Crelan FRN	200,000	€	23.01.2032		208	0.28
Enel Finance International 6.8%	667,000	US\$	14.10.2025		631	0.84
Ford Motor Credit 4.867%	595,000	€	03.08.2027		613	0.82
Goldman Sachs Group FRN	700,000	US\$	24.02.2028		652	0.87
Hiscox 6%	541,000	£	22.09.2027		645	0.86
Intesa Sanpaolo 5.25%	1,000,000	€	13.01.2030		1,083	1.44

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Italy (Republic of) 0.4%	1,500,000	€	15.05.2030		1,692	2.26
Italy (Republic of) 0.65%	2,000,000	€	15.05.2026		2,325	3.10
Mexico (United Mexican States) 4.4899%	264,000	€	25.05.2032		269	0.36
Mitchells & Butlers Finance FRN	34,053	US\$	15.12.2030		30	0.04
Nationwide Building Society FRN	1,000,000	US\$	16.02.2028		926	1.24
NatWest Group FRN	300,000	£	19.09.2026		338	0.45
Pacific Gas and Electric 4.95%	583,000	US\$	08.06.2025		536	0.72
Raiffeisen Bank International FRN	100,000	€	21.08.2029		100	0.13
Tesco FRN	500,000	£	05.11.2025		1,190	1.59
Thames Water Utilities Finance 7.125%	383,000	£	30.04.2031		445	0.59
UniCredit FRN	500,000	€	14.02.2030		522	0.70
Vonovia 0.375%	200,000	€	16.06.2027		180	0.24
Wells Fargo FRN	750,000	£	26.04.2028		835	1.11
<b>'BB' credit rated bonds</b>						
Catalyst Healthcare Manchester Financing 2.411%	65,922	£	30.09.2040		147	0.19
<b>Debt derivatives</b>					<b>745</b>	<b>0.99</b>
<b>Credit default swaps</b>					<b>784</b>	<b>1.04</b>
Airbus Dec 2025	500,000	€		500	7	0.01
Anglo American Dec 2025	1,000,000	€		1,000	79	0.10
Aviva Dec 2026	1,000,000	€		1,000	18	0.02
AXA Dec 2026	1,000,000	€		1,000	20	0.03
Électricité de France Dec 2025	500,000	€		500	5	0.01
Markit iTraxx Europe Series 36 3 Year Dec 2024	2,000,000	€		2,000	14	0.02
Markit iTraxx Europe Series 36 5 Year Dec 2026	16,500,000	€		16,500	316	0.42
Markit iTraxx Europe Series 37 5 Year Jun 2027	15,650,000	€		15,650	325	0.43
<b>Interest rate futures</b>					<b>(39)</b>	<b>(0.05)</b>
Deutscher Bobl 5 year Futures	(45)	€	06.06.2024	45	(17)	(0.02)
Deutscher Bund 10 year Futures	(20)	€	06.06.2024	20	(22)	(0.03)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Currency</b>					(78)	(0.10)
<b>Forward currency contracts</b>					(78)	(0.10)
Bought for € 18,890,495.87, Sold for £ 16,184,166.59			03.04.2024	18,927	(37)	(0.05)
Bought for € 7,036,253.57, Sold for US\$ 7,642,698.45			03.04.2024	7,087	(50)	(0.07)
Bought for £ 1,128,602.73, Sold for € 1,314,251.38			03.04.2024	1,320	5	0.01
Bought for US\$ 827,623.91, Sold for € 763,416.55			03.04.2024	767	4	0.01
<b>Portfolio of investments</b>					<b>70,185</b>	<b>93.58</b>
<b>Cash equivalents</b>					<b>614</b>	<b>0.82</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	613,551	€			<b>614</b>	<b>0.82</b>
<b>Share class hedging</b>					<b>0</b>	<b>0.00</b>
Bought for CHF 64,985.28, Sold for € 66,961.40			24.04.2024	66	0	0.00
Bought for € 1,335.16, Sold for CHF 1,295.58			24.04.2024	2	0	0.00
<b>Total portfolio</b>					<b>70,799</b>	<b>94.40</b>
Net other assets/(liabilities)					4,201	5.60
<b>Net assets</b>					<b>75,000</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					69,518	92.69
Swap contracts					784	1.04
Unrealised gains on forward currency contracts					9	0.02
<b>Total Investment assets</b>					<b>70,311</b>	<b>93.75</b>
<b>Investment liabilities</b>						
Unrealised losses on futures contracts					(39)	(0.05)
Unrealised losses on forward currency contracts					(87)	(0.12)
<b>Total Investment liabilities</b>					<b>(126)</b>	<b>(0.17)</b>
<b>Total portfolio</b>					<b>70,185</b>	<b>93.58</b>
<b>Cash equivalents</b>					<b>614</b>	<b>0.82</b>
<b>Net other assets/(liabilities)</b>					<b>4,201</b>	<b>5.60</b>
<b>Net assets</b>					<b>75,000</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

The accompanying notes to the financial statements are an integral part of these financial statements.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures		
	Swaps €'000	Forward currency contracts €'000	Collateral held as cash €'000
Barclays Bank London	121	0	2,863
Citigroup Global Markets Limited	0	7	0
Merrill Lynch Pierce Fenner + Smith Inc	0	3	0

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+4.1	+2.8	+2.3	+1.6	16.09.10	16.03.18
Class 'C' Accumulation	+4.4	+3.2	+2.8	+2.1	16.09.10	16.03.18
Class 'CI' Accumulation	+4.5	+3.2	+2.8	+2.1	16.09.10	16.03.18
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+1.8	+1.7	+1.5	+0.5	28.09.12	16.03.18
Class 'C-H' Accumulation	+2.2	+2.1	+2.0	+1.0	28.09.12	16.03.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 16 March 2018 is that of the relevant Merged Share Class of the M&G European Inflation Linked Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Inflation Linked Corporate Bond Fund is a UK authorised sub-fund which launched on 16 September 2010 and its non-Sterling share classes merged into M&G (Lux) European Inflation Linked Corporate Bond Fund on 16 March 2018.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	4,895,885.210	12.3415	11.8518	11.7677	0.70
Class 'C' Accumulation	889,087.835	13.1968	12.6346	12.5072	0.40
Class 'CI' Accumulation	243,336.497	11.4205	10.9306	10.8162	0.37
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,496.530	10.5620	10.3737	10.3782	0.71
Class 'C-H' Accumulation	3,361.989	11.1679	10.9326	10.9091	0.41

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24	31.03.23	31.03.22
	€'000	€'000	€'000
Net assets	75,000	124,708	150,645
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>75,000</b>	<b>124,708</b>	<b>150,645</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

European shares made gains in the review period, but lagged the broader global and US indices. It was not plain sailing though, with European stocks stumbling during the first half of the period as inflation concerns lingered, prompting the European Central Bank to raise rates to a record 4%. Nevertheless, European equities made a strong recovery from November onwards as global equity markets rallied, fuelled by signs of easing inflation and a dovish pivot from the US Federal Reserve.

Value stocks performed broadly in line with the European market during the 12 months. Value stocks outperformed for a large part of 2023, supported by expectations that the economy will have to endure a 'higher-for-longer' interest rate environment, making strong balance sheets particularly important. However, value stocks lost some appeal towards the end of 2023, as hopes that interest rates have peaked prompted rotation into more growth areas of the market.

All of the sub-fund's share classes outperformed the benchmark MSCI Europe Net Return Index, which returned 14.79% in euros and 14.11% in US dollars over the period. Exposure to the consumer discretionary sector drove the outperformance mainly due to strong stock picking; a favourable below benchmark (underweight) exposure also contributed somewhat. The sub-fund's underweight and positive stock selection in consumer staples also helped relative performance, as did stock picking in utilities and industrials. Conversely, the underexposure to information technology proved to be the biggest drag on performance. Stock selection in materials and financials were also a detractor.

German defence contractor Rheinmetall was the largest contributor to sub-fund outperformance as its shares rallied, supported by increased military spending in the wake of the conflict in Ukraine. Not holding Nestlé also proved beneficial as the shares stumbled on lower-than-expected revenue growth. Our overweight in carmaker Stellantis also boosted relative returns as its

shares posted stellar performance on the back of strong sales growth.

Conversely, the sub-fund's lack of exposure to pharmaceutical group Novo Nordisk – which performed well due to the success of its weight loss drugs – hindered relative returns. Not holding ASML also detracted from relative performance, as demand for semiconductors remained robust. Our holding in French supermarket Carrefour also took from performance; its shares underperformed on a weak sales outlook.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We added a number of new positions during the 12 months, reflecting opportunities across different industries and countries. We started a new holding in Daimler Trucks – the market leader globally in heavy trucks – as the valuation opportunity arose. We also initiated a new holding in Vivendi, putting capital to work in a stable, underappreciated stock. Other additions included German affordable housing company LEG Immobilien, Nexans, Drax Group, Storebrand, Inchape, Smith & Nephew and Commerzbank. We also scaled up existing positions in lenders UBS, BNP Paribas, CaixaBank and Bank of Ireland, insurer Direct Line, oil giant Shell, Orange and pharmaceutical company AstraZeneca, among others.

Notable sales included pharmaceutical firm Novartis. We recycled the proceeds into Roche as we believe the company is more attractively valued. We also exited German chemicals and consumer group Henkel, Mobico (formerly National Express group), Haleon and NKT.

### Outlook

We remain excited about the future as the European market appears very cheap in both absolute and relative terms, in our view. We believe Europe is trading at all time discounts compared to the US (even after adjusting for sectoral differences), and within Europe itself, the value style appears to be at an all-time

# Investment review

discount to growth style. Furthermore we believe we have been able to construct a portfolio that is cheaper than the broader European market as measured by the MSCI Europe, our benchmark. In our view, we have done so without making any sacrifices on return. So far in 2024 we have already added five new names, as we see many opportunities in the market.

## Richard Halle

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>1,847,407</b>	<b>99.10</b>
<b>Energy equipment &amp; services</b>					<b>24,120</b>	<b>1.29</b>
PGS	12,575,774	NOK			8,458	0.45
Subsea 7	1,063,146	NOK			15,662	0.84
<b>Oil, gas &amp; consumable fuels</b>					<b>146,950</b>	<b>7.88</b>
BP	5,585,747	£			32,401	1.74
Cobalt International Energy <sup>a</sup>	228,883	US\$			0	0.00
Shell	1,902,572	£			58,336	3.13
TotalEnergies	888,607	€			56,213	3.01
<b>Chemicals</b>					<b>35,249</b>	<b>1.89</b>
BASF	409,893	€			21,745	1.17
Johnson Matthey	164,857	£			3,456	0.18
Yara International	343,102	NOK			10,048	0.54
<b>Construction materials</b>						
Buzzi Unicem	482,061	€			<b>18,164</b>	<b>0.98</b>
<b>Metals &amp; mining</b>					<b>51,096</b>	<b>2.74</b>
APERAM	608,805	€			18,085	0.97
ArcelorMittal	887,208	€			22,641	1.21
Outokumpu	2,572,245	€			10,370	0.56
<b>Paper &amp; forest products</b>						
UPM-Kymmene	740,296	€			<b>22,949</b>	<b>1.23</b>
<b>Aerospace &amp; defense</b>					<b>56,442</b>	<b>3.03</b>
BAE Systems	2,037,862	£			32,109	1.72
QinetiQ Group	5,728,763	£			24,333	1.31
<b>Building products</b>						
Compagnie de Saint-Gobain	312,377	€			<b>22,407</b>	<b>1.20</b>
<b>Electrical equipment</b>						
Siemens Energy	161,686	€			<b>2,732</b>	<b>0.15</b>
<b>Industrial conglomerates</b>					<b>84,818</b>	<b>4.55</b>
Rheinmetall	62,300	€			32,327	1.73
Siemens	296,357	€			52,491	2.82
<b>Machinery</b>					<b>54,744</b>	<b>2.94</b>
Daimler Truck Holding	932,734	€			43,545	2.34

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Machinery (continued)</b>						
FLSmidth	241,807	DKK			11,199	0.60
<b>Commercial services &amp; supplies</b>					<b>62,550</b>	<b>3.36</b>
Bilfinger	245,077	€			10,683	0.58
Securitas 'B'	3,066,454	SEK			29,447	1.58
Societe BIC	339,439	€			22,420	1.20
<b>Airlines</b>						
easyJet	3,216,423	£			<b>21,204</b>	<b>1.14</b>
<b>Marine</b>					<b>13,635</b>	<b>0.73</b>
DHT Holdings	1,023,612	US\$			10,849	0.58
Frontline	132,582	NOK			2,786	0.15
<b>Transportation infrastructure</b>						
Getlink	1,141,121	€			<b>18,024</b>	<b>0.97</b>
<b>Auto components</b>						
Compagnie Générale des Etablissements Michelin	486,375	€			<b>17,351</b>	<b>0.93</b>
<b>Automobiles</b>					<b>48,164</b>	<b>2.58</b>
Stellantis	1,481,976	€			39,280	2.11
Volkswagen Pref. (non voting)	72,730	€			8,884	0.47
<b>Hotels, restaurants &amp; leisure</b>						
Whitbread	58,912	£			<b>2,292</b>	<b>0.12</b>
<b>Distributors</b>						
Inchcape	2,535,687	£			<b>21,470</b>	<b>1.15</b>
<b>Specialty retail</b>					<b>56,632</b>	<b>3.04</b>
CECONOMY	1,452,590	€			2,702	0.15
Dixons Carphone	20,947,013	£			15,084	0.81
Hornbach Holding	325,723	€			24,063	1.29
Kingfisher	5,107,163	£			14,783	0.79
<b>Food &amp; staples retailing</b>					<b>151,427</b>	<b>8.12</b>
Carrefour	3,111,552	€			49,528	2.65
Koninklijke Ahold Delhaize	1,583,972	€			43,753	2.35
Tesco	16,633,740	£			58,146	3.12

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Health care equipment &amp; supplies</b>						
Smith & Nephew	1,058,560	£			<b>12,423</b>	<b>0.67</b>
<b>Health care providers &amp; services</b>						
Spire Healthcare Group	3,866,369	£			<b>10,513</b>	<b>0.56</b>
<b>Pharmaceuticals</b>						
AstraZeneca	382,982	£			47,952	2.57
Bayer	202,625	€			5,756	0.31
GSK	2,514,581	£			50,244	2.70
Ipsen	215,537	€			23,946	1.28
Roche Holdings	190,206	CHF			44,477	2.39
UCB	404,783	€			46,115	2.47
<b>Banks</b>						
Bank of Ireland Group	5,243,291	€			48,563	2.61
BNP Paribas	553,533	€			36,373	1.95
CaixaBank	9,493,883	€			42,746	2.29
Commerzbank	1,483,462	€			18,922	1.02
Erste Group Bank	1,022,291	€			42,001	2.25
ING Groep	742,334	€			11,284	0.61
Lloyds Banking Group	61,382,800	£			37,114	1.99
NatWest Group	11,453,658	£			35,423	1.90
Permanent TSB Group Holdings	7,642,644	€			10,490	0.56
<b>Capital markets</b>						
UBS Group	1,770,727	CHF			<b>50,371</b>	<b>2.70</b>
<b>Insurance</b>						
Direct Line Insurance Group	9,803,892	£			22,868	1.23
FBD Holdings	1,876,620	€			24,678	1.32
Storebrand	1,692,702	NOK			14,454	0.78
<b>Communications equipment</b>						
Nokia	3,833,867	€			12,604	0.67
Telefonaktiebolaget LM Ericsson	2,326,674	SEK			11,692	0.63
<b>Technology hardware, storage &amp; peripherals</b>						
Quadient	187,111	€			3,564	0.19

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Technology hardware, storage &amp; peripherals (continued)</b>						
Tenaris	1,095,175	€			19,927	1.07
<b>Electronic equipment, instruments &amp; components</b>						
Nexans	196,449	€			<b>18,879</b>	<b>1.01</b>
<b>Semiconductors &amp; semiconductor equipment</b>						
Siltronic	29,574	€			<b>2,462</b>	<b>0.13</b>
<b>Diversified telecommunication services</b>						
Deutsche Telekom	117,127	€			2,639	0.14
Orange	3,430,556	€			37,307	2.00
<b>Wireless telecommunication services</b>						
Vodafone Group	4,553,478	£			<b>3,726</b>	<b>0.20</b>
<b>Media</b>						
Vivendi	2,543,115	€			<b>25,552</b>	<b>1.37</b>
<b>Multi-utilities</b>						
Centrica	13,908,960	£			20,878	1.12
E.ON	1,332,022	€			17,133	0.92
Engie	2,000,463	€			31,019	1.66
National Grid	2,201,916	£			27,381	1.47
<b>Independent power and renewable electricity producers</b>						
Drax Group	2,814,883	£			<b>16,414</b>	<b>0.88</b>
<b>Real estate investment trusts</b>						
British Land	2,693,939	£			<b>12,393</b>	<b>0.67</b>
<b>Real estate management &amp; development</b>						
LEG Immobilien	186,085	€			<b>14,704</b>	<b>0.79</b>
<b>Portfolio of investments</b>					<b>1,847,407</b>	<b>99.10</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Cash equivalents</b>					5,920	0.32
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	5,920,000	€			5,920	0.32
<b>Total portfolio</b>					1,853,327	99.42
Net other assets/(liabilities)					10,765	0.58
<b>Net assets</b>					1,864,092	100.00
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					1,847,407	99.10
<b>Total Investment assets</b>					1,847,407	99.10
<b>Total portfolio</b>					1,847,407	99.10
<b>Cash equivalents</b>					5,920	0.32
<b>Net other assets/(liabilities)</b>					10,765	0.58
<b>Net assets</b>					1,864,092	100.00

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+15.8	+11.7	+9.5	+5.9	01.02.08	20.09.18
Class 'A' Distribution	+15.8	+11.7	n/a	+9.5	n/a	06.12.19
Class 'B' Accumulation	+15.3	+11.1	n/a	+8.9	n/a	06.12.19
Class 'C' Accumulation	+16.7	+12.5	+10.3	+6.8	01.02.08	20.09.18
Class 'C' Distribution	+16.7	+12.5	n/a	+10.3	n/a	06.12.19
Class 'CI' Accumulation	+16.7	+12.6	+10.4	+6.8	01.02.08	20.09.18
Class 'CI' Distribution	+16.7	+12.6	n/a	+10.3	n/a	06.12.19
Class 'J' Accumulation	+17.0	+12.8	+10.6	+8.3	n/a	20.09.18
Class 'J' Distribution	+17.0	n/a	n/a	+13.0	n/a	26.04.21
Class 'JI' Accumulation	+17.0	+12.9	+10.6	+8.3	n/a	20.09.18
Class 'JI' Distribution	+17.0	n/a	n/a	+13.1	n/a	26.04.21
<b>Sterling</b>						
Class 'CI' Accumulation	n/a	n/a	n/a	+14.3 <sup>b</sup>	n/a	24.08.23

## Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+14.9	+8.6	+8.6	+4.9	08.08.14	20.09.18
Class 'C' Accumulation	+15.8	+9.4	+9.4	+5.7	08.08.14	20.09.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 18 September 2018 is that of the relevant Merged Share Class of the M&G European Strategic Value Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Strategic Value Fund is a UK authorised sub-fund which launched on 1 February 2008 and its non-Sterling share classes merged into M&G (Lux) European Strategic Value Fund on 7 December 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	25,443,157.306	14.6672	12.6619	12.1093	1.69
Class 'A' Distribution	1,043,143.223	13.2546	11.8422	11.6387	1.69
Class 'B' Accumulation	156,958.114	14.4559	12.5419	12.0540	2.20
Class 'C' Accumulation	11,302,129.152	15.3246	13.1314	12.4640	0.95
Class 'C' Distribution	904,312.665	13.6967	12.1445	11.8450	0.95
Class 'CI' Accumulation	63,498,421.290	15.3262	13.1275	12.4555	0.91
Class 'CI' Distribution	5,079.504	13.8698	12.2928	11.9847	0.91
Class 'J' Accumulation	397,935.834	15.5010	13.2500	12.5451	0.70
Class 'J' Distribution	1,000.000	13.4882	11.9275	11.5838	0.68
Class 'JI' Accumulation	18,181,386.052	15.5393	13.2771	12.5660	0.66
Class 'JI' Distribution	18,637.730	13.5005	11.9351	11.5872	0.66
<b>Sterling</b>		£	£	£	
Class 'CI' Accumulation	4,600.000	11.4322	n/a	n/a	0.91
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	453,395.893	13.5003	11.7475	11.4671	1.70
Class 'C' Accumulation	1,630,181.303	14.0730	12.1552	11.7742	0.95

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24	31.03.23	31.03.22
	€'000	€'000	€'000
Net assets	1,864,092	1,455,209	1,224,353
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>1,864,092</b>	<b>1,455,209</b>	<b>1,224,353</b>

# Investment review

## For the period from 7 November 2023 (launch date of the sub-fund) to 31 March 2024

### Performance review

Inflation declined steadily during the first half of the period under review, prompting central banks to pause the cycle of interest rate rises and ultimately signal rate cuts in 2024. Investors grew optimistic about a soft landing for major economies, sparking a powerful two-month rally across most asset classes at the end of the calendar year.

Towards the end of 2023, government bond yields fell substantially, and their value rose accordingly. UK government bonds (gilts) performed particularly well. Corporate bonds also gained, and credit spreads tightened as investor confidence returned (credit spreads reflect the yield differential between a corporate bond and the corresponding government bond with the same maturity).

The rally in bond markets at the end of 2023 faded in the first quarter of 2024 as investors pushed back their timing for potential interest rate cuts by central banks. The 10-year US Treasury yield ended the period at 4.2%. The prices of 10-year German bunds and UK gilts fell as well.

Corporate bonds fared slightly better, however. Corporate bond issuance was notable with US\$606 billion worth of US dollar bonds issued during the first quarter of 2024. Within credit, high yield outperformed investment grade thanks to its lower interest rate sensitivity and easier financial conditions.

The sub-fund launched on 7 November 2023. It adopts a 'buy-and-maintain' strategy, meaning that it expects to hold to maturity the majority of the debt securities in the sub-fund. The investment process combines a value-focused approach with macroeconomic, asset-specific, sector and geographic considerations. The sub-fund holds around 73% in investment grade corporate bonds and 22% in high yields bonds.

### Outlook

We believe the macroeconomic environment remains supportive for investment grade credit. Inflationary pressures are slowly easing while economies are growing, albeit at a slower pace. Yields remain close to historically high, and rate cuts are now expected in 2024, which should be supportive for fixed income investments in general. While spreads may not appear historically attractive, we believe the positive macroeconomic environment makes this asset class appealing to investors.

In high yield, spread levels remain unexciting, but yields are still attractive, with scope for absolute returns and carry. With moderate rate cuts, contained spreads, and a mild default environment, we believe the asset class could still deliver positive returns over the next 12 months.

### Stefan Isaacs

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>430,677</b>	<b>99.16</b>
<b>Debt securities</b>					<b>430,677</b>	<b>99.16</b>
<b>Austria</b>					<b>11,173</b>	<b>2.57</b>
<b>'A' credit rated bonds</b>					<b>11,173</b>	<b>2.57</b>
Hypo Noe Landesbank 1.375%	4,600,000	€	14.04.2025		4,485	1.03
Raiffeisen Bank International 0.25%	6,900,000	€	22.01.2025		6,688	1.54
<b>Cayman Islands</b>						
<b>'A' credit rated bonds</b>						
CK Hutchison Europe Finance 18 1.25%	6,700,000	€	13.04.2025		<b>6,512</b>	<b>1.50</b>
<b>Denmark</b>					<b>10,968</b>	<b>2.52</b>
<b>'A' credit rated bonds</b>						
Danmarks Skibskredit 0.125%	4,600,000	€	20.03.2025		<b>4,432</b>	<b>1.02</b>
<b>'BBB' credit rated bonds</b>						
Nykredit Realkredit 0.625%	6,700,000	€	17.01.2025		<b>6,536</b>	<b>1.50</b>
<b>Finland</b>					<b>8,990</b>	<b>2.07</b>
<b>'BBB' credit rated bonds</b>					<b>8,990</b>	<b>2.07</b>
Castellum Helsinki Finance Holding 2%	4,600,000	€	24.03.2025		4,491	1.03
Kojamo 1.625%	4,600,000	€	07.03.2025		4,499	1.04
<b>France</b>					<b>68,947</b>	<b>15.87</b>
<b>'A' credit rated bonds</b>					<b>11,063</b>	<b>2.55</b>
Arval Service Lease 0.875%	4,500,000	€	17.02.2025		4,390	1.01
Banque Fédérative du Crédit Mutuel 0.01%	6,900,000	€	07.03.2025		6,673	1.54
<b>'BBB' credit rated bonds</b>					<b>41,545</b>	<b>9.56</b>
BNP Paribas Cardif 1%	9,900,000	€	29.11.2024		9,698	2.23
BPCE 1%	8,900,000	€	01.04.2025		8,665	2.00
ELO 2.375%	4,200,000	€	25.04.2025		4,125	0.95
Indigo Group 2.125%	4,200,000	€	16.04.2025		4,134	0.95
Société Générale 2.625%	8,500,000	€	27.02.2025		8,395	1.93
Unibail-Rodamco-Westfield 0.875%	6,700,000	€	21.02.2025		6,528	1.50
<b>'BB' credit rated bonds</b>					<b>16,339</b>	<b>3.76</b>
Crown European Holdings 3.375%	2,450,000	€	15.05.2025		2,435	0.56
Iliad 1.875%	4,700,000	€	25.04.2025		4,581	1.06
Renault 1.25%	4,700,000	€	24.06.2025		4,536	1.04

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>France</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Tereos Finance Groupe I 7.5%	4,700,000	€	30.10.2025		4,787	1.10
<b>Germany</b>					<b>52,660</b>	<b>12.12</b>
<b>'AA' credit rated bonds</b>						
Landesbank Hessen-Thüringen Girozentrale 0.125%	4,700,000	€	19.11.2024		<b>4,576</b>	<b>1.05</b>
<b>'A' credit rated bonds</b>					<b>7,748</b>	<b>1.78</b>
Berlin Hyp 1.25%	4,200,000	€	22.01.2025		4,102	0.94
Hamburg Commercial Bank 4.875%	1,500,000	€	17.03.2025		1,496	0.34
HOWOGE Wohnungsbaugesellschaft 0%	2,200,000	€	01.11.2024		2,150	0.50
<b>'BBB' credit rated bonds</b>					<b>30,638</b>	<b>7.06</b>
Deutsche Bank 1.125%	8,900,000	€	17.03.2025		8,678	2.00
Deutsche Pfandbriefbank 0.25%	9,100,000	€	17.01.2025		8,509	1.96
Deutsche Wohnen 1%	4,600,000	€	30.04.2025		4,444	1.02
Fresenius 1.875%	4,900,000	€	15.02.2025		4,817	1.11
Hamburg Commercial Bank 6.25%	4,200,000	€	18.11.2024		4,190	0.97
<b>'BB' credit rated bonds</b>					<b>7,180</b>	<b>1.65</b>
ZF Finance 3%	7,300,000	€	21.09.2025			
<b>'B' credit rated bonds</b>					<b>2,518</b>	<b>0.58</b>
Techem Verwaltungsgesellschaft 2%	2,560,000	€	15.07.2025			
<b>Iceland</b>						
<b>'BBB' credit rated bonds</b>						
Islandsbanki 0.75%	6,900,000	€	25.03.2025		<b>6,660</b>	<b>1.53</b>
<b>Ireland</b>						
<b>'BBB' credit rated bonds</b>						
Grenke Finance 0.625%	4,200,000	€	09.01.2025		<b>4,074</b>	<b>0.94</b>
<b>Italy</b>					<b>41,757</b>	<b>9.61</b>
<b>'BBB' credit rated bonds</b>					<b>19,450</b>	<b>4.48</b>
Leonardo 4.875%	4,100,000	€	24.03.2025		4,142	0.95
Mediobanca Banca di Credito Finanziario 1.625%	4,400,000	€	07.01.2025		4,329	1.00
Poste Italiane 0%	6,700,000	€	10.12.2024		6,528	1.50

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Italy</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
UniCredit 0.5%	4,600,000	€	09.04.2025		4,451	1.03
<b>'BB' credit rated bonds</b>					<b>6,474</b>	<b>1.49</b>
Intesa Sanpaolo 2.855%	2,200,000	€	23.04.2025		2,174	0.50
Mundys 1.625%	4,400,000	€	03.02.2025		4,300	0.99
<b>'B' credit rated bonds</b>					<b>15,833</b>	<b>3.64</b>
Banca Monte dei Paschi di Siena 2.625%	8,900,000	€	28.04.2025		8,697	2.00
Telecom Italia 2.75%	7,300,000	€	15.04.2025		7,136	1.64
<b>Japan</b>						
<b>'BB' credit rated bonds</b>						
SoftBank Group 4.5%	2,450,000	€	20.04.2025		<b>2,458</b>	<b>0.57</b>
<b>Jersey</b>					<b>7,771</b>	<b>1.79</b>
<b>'AAA' credit rated bonds</b>						
IDB Trust Services 0.037%	3,000,000	€	04.12.2024		<b>2,922</b>	<b>0.67</b>
<b>'BB' credit rated bonds</b>						
Adient Global Holdings 3.5%	4,872,175	€	15.08.2024		<b>4,849</b>	<b>1.12</b>
<b>Luxembourg</b>					<b>19,966</b>	<b>4.60</b>
<b>'BBB' credit rated bonds</b>						
Holcim Finance Luxembourg 1.5%	1,700,000	€	06.04.2025		1,662	0.38
Logicor Financing 2.25%	9,000,000	€	13.05.2025		8,797	2.03
Traton Finance Luxembourg 4.125%	9,500,000	€	18.01.2025		9,507	2.19
<b>Netherlands (The)</b>					<b>44,301</b>	<b>10.20</b>
<b>'A' credit rated bonds</b>						
LeasePlan 2.125%	7,300,000	€	06.05.2025		7,164	1.65
Nationale-Nederlanden Bank 0.375%	4,700,000	€	26.02.2025		4,554	1.05
<b>'BBB' credit rated bonds</b>					<b>20,768</b>	<b>4.78</b>
Euronext 1%	4,500,000	€	18.04.2025		4,369	1.01
Naturgy Finance 1.375%	4,200,000	€	21.01.2025		4,127	0.95
NE Property 1.75%	3,600,000	€	23.11.2024		3,531	0.81
Vonovia Finance 1.25%	8,900,000	€	06.12.2024		8,741	2.01

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Netherlands (The)</b> (continued)						
<b>'BB' credit rated bonds</b>					<b>11,815</b>	<b>2.72</b>
Petrobras Global Finance 4.75%	2,100,000	€	14.01.2025		2,107	0.49
Samvardhana Moterson Automotive Systems Group 1.8%	5,000,000	€	06.07.2024		4,966	1.14
Teva Pharmaceutical Finance Netherlands II 6%	4,700,000	€	31.01.2025		4,742	1.09
<b>Norway</b>						
<b>'A' credit rated bonds</b>						
Santander Consumer Bank 0.125%	6,900,000	€	25.02.2025		<b>6,679</b>	<b>1.54</b>
<b>Romania</b>						
<b>'BB' credit rated bonds</b>						
RCS & RDS 2.5%	5,000,000	€	05.02.2025		<b>4,894</b>	<b>1.13</b>
<b>Spain</b>					<b>26,051</b>	<b>6.00</b>
<b>'A' credit rated bonds</b>						
CaixaBank 0.375%	6,900,000	€	03.02.2025		<b>6,708</b>	<b>1.55</b>
<b>'BBB' credit rated bonds</b>					<b>17,169</b>	<b>3.95</b>
Banco de Sabadell 1.125%	2,200,000	€	27.03.2025		2,145	0.49
Banco Santander 2.5%	8,700,000	€	18.03.2025		8,583	1.98
Cepsa Finance 1%	6,600,000	€	16.02.2025		6,441	1.48
<b>'BB' credit rated bonds</b>						
International Consolidated Airlines Group 2.75%	2,200,000	€	25.03.2025		<b>2,174</b>	<b>0.50</b>
<b>Sweden</b>					<b>29,913</b>	<b>6.89</b>
<b>'A' credit rated bonds</b>						
Länsförsäkringar Bank 0.125%	4,600,000	€	19.02.2025		<b>4,451</b>	<b>1.02</b>
<b>'BBB' credit rated bonds</b>					<b>22,221</b>	<b>5.12</b>
Akelius Residential Property AB, EMTN 1.75%	4,400,000	€	07.02.2025		4,296	0.99
Fastighets Balder 1.875%	5,100,000	€	14.03.2025		4,983	1.15
Molnlycke Holding 1.875%	6,600,000	€	28.02.2025		6,472	1.49
Sagax 2.25%	6,600,000	€	13.03.2025		6,470	1.49
<b>'BB' credit rated bonds</b>						
Volvo Car 2%	3,300,000	€	24.01.2025		<b>3,241</b>	<b>0.75</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>United Kingdom</b>					<b>23,759</b>	<b>5.47</b>
<b>'A' credit rated bonds</b>					<b>13,002</b>	<b>2.99</b>
Mitsubishi HC Capital 0.25%	4,200,000	€	03.02.2025		4,072	0.94
NatWest Markets 2.75%	9,000,000	€	02.04.2025		8,930	2.05
<b>'BBB' credit rated bonds</b>					<b>10,757</b>	<b>2.48</b>
Standard Chartered 3.125%	6,400,000	€	19.11.2024		6,360	1.47
WPP Finance 1.375%	4,500,000	€	20.03.2025		4,397	1.01
<b>United States</b>					<b>49,241</b>	<b>11.34</b>
<b>'A' credit rated bonds</b>					<b>7,257</b>	<b>1.67</b>
Chubb INA Holdings 0.3%	3,000,000	€	15.12.2024		2,926	0.67
Morgan Stanley 1.75%	4,400,000	€	30.01.2025		4,331	1.00
<b>'BBB' credit rated bonds</b>					<b>30,186</b>	<b>6.95</b>
American Tower 1.375%	8,900,000	€	04.04.2025		8,686	2.00
Avery Dennison 1.25%	4,900,000	€	03.03.2025		4,791	1.10
Berry Global 1%	2,200,000	€	15.01.2025		2,144	0.50
Ford Motor Credit 1.355%	9,900,000	€	07.02.2025		9,688	2.23
General Motors Financial 1%	5,000,000	€	24.02.2025		4,877	1.12
<b>'BB' credit rated bonds</b>					<b>6,888</b>	<b>1.59</b>
Encore Capital Group 4.875%	4,500,000	€	15.10.2025		4,478	1.03
IQVIA 2.875%	2,450,000	€	15.09.2025		2,410	0.56
<b>'B' credit rated bonds</b>						
Boxer Parent 6.5%	4,900,000	€	02.10.2025		<b>4,910</b>	<b>1.13</b>
<b>Venezuela</b>						
<b>'AA' credit rated bonds</b>						
Corporación Andina de Fomento 1.125%	4,000,000	€	13.02.2025		<b>3,903</b>	<b>0.90</b>
<b>Portfolio of investments</b>					<b>430,677</b>	<b>99.16</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
Cash equivalents					371	0.09
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	371,000	€			371	0.09
<b>Total portfolio</b>					431,048	99.25
Net other assets/(liabilities)					3,265	0.75
<b>Net assets</b>					434,313	100.00
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					430,677	99.16
<b>Total Investment assets</b>					430,677	99.16
<b>Total portfolio</b>					430,677	99.16
<b>Cash equivalents</b>					371	0.09
<b>Net other assets/(liabilities)</b>					3,265	0.75
<b>Net assets</b>					434,313	100.00

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'P' Accumulation	n/a	n/a	n/a	+1.8 <sup>a</sup>	07.11.23
Class 'W' Accumulation	n/a	n/a	n/a	+1.9 <sup>a</sup>	07.11.23
Class 'WI' Accumulation	n/a	n/a	n/a	+2.0 <sup>a</sup>	07.11.23

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	
Class 'P' Accumulation	2,611,654.007	101.7766	0.80
Class 'W' Accumulation	200,034.809	101.9347	0.40
Class 'WI' Accumulation	1,446,751.316	101.9505	0.36

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

<b>NAV at sub-fund level</b>	<b>31.03.24</b> <b>€'000</b>
Net assets	434,313
Swing pricing adjustment (see note 10)	(620)
<b>Swing net assets</b>	<b>433,693</b>

# Investment review

## For the period from 27 September 2023 (launch date of the sub-fund) to 31 March 2024

### Performance review

Inflation declined steadily during the first half of the period under review, prompting central banks to pause the cycle of interest rate rises and ultimately signal rate cuts in 2024. Investors grew optimistic about a soft landing for major economies, sparking a powerful two-month rally across most asset classes at the end of the calendar year.

Towards the end of 2023, government bond yields fell substantially, and their value rose accordingly. UK government bonds (gilts) performed particularly well. Corporate bonds also gained, and credit spreads tightened as investor confidence returned (credit spreads reflect the yield differential between a corporate bond and the corresponding government bond with the same maturity, and indicate investors' appetite for risk).

The rally in bond markets at the end of 2023 faded in the first quarter of 2024 as investors pushed back their timing for potential interest rate cuts by central banks. The 10-year US Treasury yield ended the period at 4.2%. The prices of 10-year German bunds and UK gilts fell as well.

Corporate bonds fared slightly better, however. Corporate bond issuance was notable with US\$606 billion worth of US dollar bonds issued during the first quarter of 2024. Within credit, high yield outperformed investment grade thanks to its lower interest rate sensitivity and easier financial conditions.

The sub-fund launched on 27 September 2023. It adopts a 'buy-and-maintain' strategy, meaning that it expects to hold to maturity the majority of the debt securities in the sub-fund. The investment process combines a value-focused approach with macroeconomic, asset-specific, sector and geographic considerations. The sub-fund holds around 80% in investment grade corporate bonds and 20% in high yields bonds.

### Outlook

We believe the macroeconomic environment remains supportive for investment grade credit. Inflationary pressures are slowly easing while economies are growing, albeit at a slower pace. Yields remain close to historically high, and rate cuts are now expected in 2024, which should be supportive for fixed income investments in general. While spreads may not appear historically attractive, we believe the positive macroeconomic environment makes this asset class appealing to investors.

In high yield, spread levels remain unexciting but yields are still attractive with scope for absolute returns and carry. With moderate rate cuts, contained spreads, and a mild default environment, we believe the asset class could still deliver positive returns over the next 12 months.

### Wolfgang Bauer

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

## Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>97,875</b>	<b>93.71</b>
<b>Debt securities</b>					<b>98,084</b>	<b>93.91</b>
<b>Australia</b>						
<b>'BBB' credit rated bonds</b>						
APA Infrastructure 4.25%	460,000	US\$	15.07.2027		<b>417</b>	<b>0.40</b>
<b>Austria</b>					<b>1,738</b>	<b>1.66</b>
<b>'A' credit rated bonds</b>					<b>777</b>	<b>0.74</b>
Erste Group Bank 0.125%	400,000	€	17.05.2028		352	0.34
Raiffeisen Bank International 5.75%	400,000	€	27.01.2028		425	0.40
<b>'BBB' credit rated bonds</b>						
A1 Towers Holding 5.25%	400,000	€	13.07.2028		<b>421</b>	<b>0.40</b>
<b>'BB' credit rated bonds</b>					<b>540</b>	<b>0.52</b>
Benteler International 9.375%	250,000	€	15.05.2028		270	0.26
Sappi Papier Holding 3.625%	280,000	€	15.03.2028		270	0.26
<b>Belgium</b>					<b>2,360</b>	<b>2.26</b>
<b>'A' credit rated bonds</b>						
Belfius Bank 3.875%	400,000	€	12.06.2028		<b>408</b>	<b>0.39</b>
<b>'BBB' credit rated bonds</b>					<b>1,952</b>	<b>1.87</b>
Argenta Spaarbank FRN	400,000	€	29.11.2027		414	0.40
Crelan 5.75%	400,000	€	26.01.2028		421	0.40
KBC Group FRN	400,000	€	21.01.2028		370	0.35
Silfin 2.875%	400,000	€	11.04.2027		383	0.37
Sofina 1%	300,000	€	23.09.2028		264	0.25
Solvay 3.875%	100,000	€	03.04.2028		100	0.10
<b>Bermuda</b>						
<b>'BBB' credit rated bonds</b>						
Hiscox 6%	360,000	£	22.09.2027		<b>429</b>	<b>0.41</b>
<b>Canada</b>					<b>1,235</b>	<b>1.18</b>
<b>'A' credit rated bonds</b>					<b>821</b>	<b>0.78</b>
Royal Bank of Canada 5.2%	440,000	US\$	01.08.2028		412	0.39
Toronto-Dominion Bank 2.551%	420,000	€	03.08.2027		409	0.39
<b>'BBB' credit rated bonds</b>						
Rogers Communications 3.2%	470,000	US\$	15.03.2027		<b>414</b>	<b>0.40</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Denmark</b>					<b>1,049</b>	<b>1.01</b>
<b>'BBB' credit rated bonds</b>					<b>1,049</b>	<b>1.01</b>
Danske Bank FRN	470,000	US\$	01.04.2028		421	0.40
Ørsted 2.25%	215,000	€	14.06.2028		206	0.20
TDC Net 5.056%	410,000	€	31.05.2028		422	0.41
<b>Finland</b>					<b>630</b>	<b>0.60</b>
<b>'BBB' credit rated bonds</b>					<b>630</b>	<b>0.60</b>
Fortum 4%	410,000	€	26.05.2028		416	0.40
SATO 1.375%	241,000	€	24.02.2028		214	0.20
<b>France</b>					<b>13,495</b>	<b>12.92</b>
<b>'AA' credit rated bonds</b>						
Crédit Mutuel Arkéa 3.875%	400,000	€	22.05.2028		407	0.39
<b>'A' credit rated bonds</b>					<b>2,374</b>	<b>2.27</b>
Banque Fédérative du Crédit Mutuel 5.79%	440,000	US\$	13.07.2028		418	0.40
BNP Paribas FRN	400,000	€	01.09.2028		359	0.34
BPCE 4.375%	400,000	€	13.07.2028		410	0.39
CNP Assurances 0.375%	500,000	€	08.03.2028		441	0.42
Crédit Agricole FRN	400,000	€	22.04.2027		386	0.37
TotalEnergies Capital International 0.75%	400,000	€	12.07.2028		360	0.35
<b>'BBB' credit rated bonds</b>					<b>5,506</b>	<b>5.27</b>
Alstom 0.125%	300,000	€	27.07.2027		267	0.26
Électricité de France 5.7%	440,000	US\$	23.05.2028		414	0.40
Engie 1.375%	400,000	€	22.06.2028		370	0.36
Indigo Group 1.625%	400,000	€	19.04.2028		371	0.36
La Banque Postale FRN	400,000	£	21.09.2028		470	0.45
Orano 2.75%	400,000	€	08.03.2028		387	0.37
Peugeot Invest 1.875%	300,000	€	30.10.2026		284	0.27
RCI Banque 4.875%	250,000	€	14.06.2028		260	0.25
Société Générale FRN	490,000	US\$	19.01.2028		420	0.40
Suez 1.875%	400,000	€	24.05.2027		380	0.36
TDF Infrastructure 5.625%	400,000	€	21.07.2028		421	0.40

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>France</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Veolia Environnement 1.25%	400,000	€	19.05.2028		368	0.35
Wendel 2.5%	400,000	€	09.02.2027		390	0.37
Worldline 4.125%	300,000	€	12.09.2028		296	0.28
WPP Finance 4.125%	400,000	€	30.05.2028		408	0.39
<b>'BB' credit rated bonds</b>					<b>1,784</b>	<b>1.71</b>
Forvia 3.75%	280,000	€	15.06.2028		273	0.26
Iliad 5.375%	300,000	€	14.06.2027		307	0.30
Nexans 5.5%	200,000	€	05.04.2028		211	0.20
Paprec Holding 3.5%	280,000	€	01.07.2028		267	0.26
SNF Group 3.125%	310,000	US\$	15.03.2027		265	0.25
Tereos Finance Groupe I 7.25%	240,000	€	15.04.2028		254	0.24
Valeo 5.375%	200,000	€	28.05.2027		207	0.20
<b>Bonds with no credit rating</b>						
Bureau Veritas 1.125%	400,000	€	18.01.2027		373	0.36
France (Republic of) 0%	3,100,000	€	04.09.2024		3,051	2.92
<b>Germany</b>					<b>8,582</b>	<b>8.22</b>
<b>'A' credit rated bonds</b>					<b>967</b>	<b>0.93</b>
Bayerische Landesbank 0.125%	500,000	€	10.02.2028		436	0.42
Commerzbank FRN	100,000	€	12.03.2027		100	0.10
Landesbank Baden-Württemberg 0.25%	500,000	€	21.07.2028		431	0.41
<b>'BBB' credit rated bonds</b>					<b>4,692</b>	<b>4.49</b>
Amprion 3.875%	400,000	€	07.09.2028		407	0.39
Deutsche Bank FRN	500,000	€	23.02.2028		471	0.45
Deutsche Lufthansa 3.75%	300,000	€	11.02.2028		298	0.28
Deutsche Pfandbriefbank 7.625%	300,000	£	08.12.2025		337	0.32
E.ON 2.875%	420,000	€	26.08.2028		416	0.40
EWE 0.25%	475,000	€	08.06.2028		416	0.40
Fraport Frankfurt Airport Services Worldwide 1.875%	280,000	€	31.03.2028		261	0.25
Fresenius 0.75%	460,000	€	15.01.2028		416	0.40

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Germany</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
LEG Immobilien 0.875%	400,000	€	28.11.2027		364	0.35
Norddeutsche Landesbank-Girozentrale 6.25%	200,000	US\$	10.04.2024		185	0.18
Vier Gas Transport 1.5%	400,000	€	25.09.2028		370	0.35
Volkswagen Bank 4.375%	400,000	€	03.05.2028		409	0.39
Vonovia 0.25%	400,000	€	01.09.2028		342	0.33
					<b>1,693</b>	<b>1.62</b>
<b>'BB' credit rated bonds</b>						
Commerzbank 4%	260,000	€	30.03.2027		261	0.25
Grünenthal 4.125%	270,000	€	15.05.2028		262	0.25
IHO Verwaltungs 8.75%	240,000	€	15.05.2028		260	0.25
INEOS Styrolution Group 2.25%	280,000	€	16.01.2027		260	0.25
Mahle 2.375%	300,000	€	14.05.2028		263	0.25
ZF Finance 3.75%	400,000	€	21.09.2028		387	0.37
<b>'B' credit rated bonds</b>						
Nidda Healthcare Holding 7.5%	200,000	€	21.08.2026		<b>207</b>	<b>0.20</b>
<b>Bonds with no credit rating</b>						
Germany (Federal Republic of) 0%	1,040,000	€	18.09.2024		<b>1,023</b>	<b>0.98</b>
<b>Greece</b>						
<b>'BB' credit rated bonds</b>						
Eurobank FRN	300,000	€	14.03.2028		<b>284</b>	<b>0.27</b>
					<b>1,239</b>	<b>1.19</b>
<b>Iceland</b>						
<b>'A' credit rated bonds</b>						
Arion Banki 7.25%	390,000	€	25.05.2026		<b>410</b>	<b>0.39</b>
					<b>829</b>	<b>0.80</b>
<b>'BBB' credit rated bonds</b>						
Islandsbanki 7.375%	390,000	€	17.05.2026		409	0.39
Landsbankinn 6.375%	400,000	€	12.03.2027		420	0.41
					<b>1,988</b>	<b>1.90</b>
<b>Ireland</b>						
<b>'BBB' credit rated bonds</b>						
AIB Group FRN	440,000	€	04.04.2028		422	0.40
Bank of Ireland Group FRN	400,000	€	16.07.2028		415	0.40

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Ireland</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Hammerson Ireland Finance 1.75%	350,000	€	03.06.2027		323	0.31
Johnson Controls International Via Tyco Fire & Security Finance 3%	420,000	€	15.09.2028		413	0.39
<b>'BB' credit rated bonds</b>						
Permanent TSB Group Holdings FRN	390,000	€	25.04.2028		<b>415</b>	<b>0.40</b>
<b>Italy</b>						
					<b>4,591</b>	<b>4.40</b>
<b>'A' credit rated bonds</b>						
					<b>622</b>	<b>0.60</b>
Eni 0.375%	470,000	€	14.06.2028		415	0.40
Leasys 4.625%	202,000	€	16.02.2027		207	0.20
<b>'BBB' credit rated bonds</b>						
					<b>3,234</b>	<b>3.10</b>
ASTM 1.625%	450,000	€	08.02.2028		418	0.40
Autostrade per l'Italia 1.625%	450,000	€	25.01.2028		418	0.40
Hera 5.2%	380,000	€	29.01.2028		404	0.39
Iccrea Banca FRN	300,000	€	17.01.2027		292	0.28
Intesa Sanpaolo FRN	500,000	€	08.03.2028		516	0.49
Mediobanca Banca di Credito Finanziario FRN	400,000	€	14.03.2028		413	0.40
Società Esercizi Aeroportuali 3.5%	260,000	€	09.10.2025		258	0.25
UniCredit FRN	490,000	€	15.11.2027		515	0.49
<b>'BB' credit rated bonds</b>						
					<b>523</b>	<b>0.50</b>
AlmavivA 4.875%	260,000	€	30.10.2026		259	0.25
Banco BPM FRN	250,000	€	14.06.2028		264	0.25
<b>'B' credit rated bonds</b>						
Telecom Italia 6.875%	200,000	€	15.02.2028		<b>212</b>	<b>0.20</b>
<b>Japan</b>						
					<b>826</b>	<b>0.79</b>
<b>'A' credit rated bonds</b>						
					<b>826</b>	<b>0.79</b>
Mitsubishi UFJ Financial Group FRN	450,000	US\$	20.07.2028		416	0.40
Mizuho Financial Group 4.157%	400,000	€	20.05.2028		410	0.39
<b>Jersey</b>						
					<b>725</b>	<b>0.69</b>
<b>'BBB' credit rated bonds</b>						
AA Bond 3.25%	430,000	£	31.07.2050		<b>442</b>	<b>0.42</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Jersey</b> (continued)						
<b>'BB' credit rated bonds</b>						
Kennedy Wilson Europe Real Estate 3.25%	300,000	€	12.11.2025		<b>283</b>	<b>0.27</b>
<b>Luxembourg</b>					<b>3,810</b>	<b>3.65</b>
<b>'A' credit rated bonds</b>						
Prologis International Funding II 1.75%	330,000	€	15.03.2028		<b>309</b>	<b>0.30</b>
<b>'BBB' credit rated bonds</b>					<b>2,862</b>	<b>2.74</b>
ACEF Holding 0.75%	490,000	€	14.06.2028		426	0.41
Aroundtown 1.45%	400,000	€	09.07.2028		330	0.32
Blackstone Property Partners Europe Holdings 1%	380,000	€	04.05.2028		328	0.31
CPI Property Group 1.625%	400,000	€	23.04.2027		338	0.32
GELF Bond Issuer I 1.625%	330,000	€	20.10.2026		315	0.30
Grand City Properties 0.125%	400,000	€	11.01.2028		339	0.33
Logicor Financing 1.625%	400,000	€	15.07.2027		366	0.35
SES 2%	450,000	€	02.07.2028		420	0.40
<b>'BB' credit rated bonds</b>					<b>639</b>	<b>0.61</b>
ContourGlobal Power Holdings 3.125%	240,000	€	01.01.2028		224	0.21
Millicom International Cellular 5.125%	270,000	US\$	15.01.2028		239	0.23
Telenet Finance Luxembourg 5.5%	200,000	US\$	01.03.2028		176	0.17
<b>Netherlands (The)</b>					<b>7,433</b>	<b>7.12</b>
<b>'A' credit rated bonds</b>					<b>1,603</b>	<b>1.54</b>
Coöperatieve Rabobank FRN	460,000	US\$	22.08.2028		417	0.40
de Volksbank 0.375%	400,000	€	03.03.2028		351	0.34
EnBW International Finance 3.5%	410,000	€	24.07.2028		415	0.40
ING Groep FRN	470,000	US\$	28.03.2028		420	0.40
<b>'BBB' credit rated bonds</b>					<b>4,922</b>	<b>4.71</b>
ABN AMRO Bank 4%	400,000	€	16.01.2028		406	0.39
Akelius Residential Property Financing 1%	370,000	€	17.01.2028		326	0.31
Arcadis 4.875%	400,000	€	28.02.2028		415	0.40
CTP 0.75%	360,000	€	18.02.2027		329	0.32
Enel Finance International 1.875%	520,000	US\$	12.07.2028		422	0.40

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Netherlands (The)</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Heimstaden Bostad Treasury 1.375%	410,000	€	24.07.2028		323	0.31
JAB Holdings 2%	400,000	€	18.05.2028		378	0.36
Nationale-Nederlanden Bank 0.5%	500,000	€	21.09.2028		440	0.42
NIBC Bank 0.25%	400,000	€	09.09.2026		368	0.35
Sagax 0.75%	370,000	€	26.01.2028		326	0.31
Signify 2.375%	430,000	€	11.05.2027		414	0.40
Viterra Finance 1%	470,000	€	24.09.2028		419	0.40
Wintershall Dea Finance 1.332%	400,000	€	25.09.2028		356	0.34
<b>'BB' credit rated bonds</b>					<b>695</b>	<b>0.67</b>
Goodyear Europe 2.75%	240,000	€	15.08.2028		217	0.21
Q-Park Holding I 2%	230,000	€	01.03.2027		216	0.21
Teva Pharmaceutical Finance Netherlands II 3.75%	270,000	€	09.05.2027		262	0.25
<b>'B' credit rated bonds</b>						
IPD 3 8%	200,000	€	15.06.2028		<b>213</b>	<b>0.20</b>
<b>Norway</b>					<b>828</b>	<b>0.79</b>
<b>'BBB' credit rated bonds</b>					<b>828</b>	<b>0.79</b>
Vår Energi 7.5%	420,000	US\$	15.01.2028		413	0.39
Yara International 4.75%	460,000	US\$	01.06.2028		415	0.40
<b>Portugal</b>					<b>1,353</b>	<b>1.30</b>
<b>'BBB' credit rated bonds</b>					<b>1,353</b>	<b>1.30</b>
Banco Comercial Português FRN	400,000	€	07.04.2028		376	0.36
Caixa Geral de Depósitos FRN	400,000	€	21.09.2027		370	0.36
EDP – Energias de Portugal 3.875%	400,000	€	26.06.2028		407	0.39
Novo Banco FRN	200,000	€	08.03.2028		200	0.19
<b>Spain</b>					<b>3,693</b>	<b>3.54</b>
<b>'A' credit rated bonds</b>						
Banco Santander FRN	400,000	US\$	24.03.2028		<b>358</b>	<b>0.34</b>
<b>'BBB' credit rated bonds</b>					<b>2,535</b>	<b>2.43</b>
Abertis Infraestructuras 4.125%	400,000	€	31.01.2028		406	0.39

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>Spain</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Banco Bilbao Vizcaya Argentaria FRN	400,000	US\$	14.09.2028		379	0.36
Banco de Sabadell FRN	400,000	€	16.06.2028		366	0.35
Bankinter 0.625%	400,000	€	06.10.2027		362	0.35
CaixaBank FRN	500,000	€	26.05.2028		458	0.44
Cellnex Finance 1.5%	300,000	€	08.06.2028		276	0.26
Merlin Properties Socimi 2.375%	300,000	€	13.07.2027		288	0.28
<b>'BB' credit rated bonds</b>					<b>800</b>	<b>0.77</b>
Banco de Crédito Social Cooperativo FRN	300,000	€	09.03.2028		277	0.26
Lorca Telecom Bondco 4%	210,000	€	18.09.2027		204	0.20
Unicaja Banco FRN	300,000	€	11.09.2028		319	0.31
<b>Sweden</b>					<b>1,288</b>	<b>1.23</b>
<b>'A' credit rated bonds</b>						
Swedbank 4.25%	400,000	€	11.07.2028		409	0.39
<b>'BBB' credit rated bonds</b>					<b>668</b>	<b>0.64</b>
Castellum 0.75%	350,000	€	04.09.2026		323	0.31
Fastighets Balder 1.25%	400,000	€	28.01.2028		345	0.33
<b>'B' credit rated bonds</b>						
Verisure Holding 3.25%	220,000	€	15.02.2027		211	0.20
<b>Switzerland</b>					<b>627</b>	<b>0.60</b>
<b>'A' credit rated bonds</b>						
Credit Suisse 0.25%	360,000	€	01.09.2028		314	0.30
UBS Group 4.282%	350,000	US\$	09.01.2028		313	0.30
<b>United Kingdom</b>					<b>16,264</b>	<b>15.57</b>
<b>'AA' credit rated bonds</b>						
UK Gilt 2.75%	2,700,000	£	07.09.2024		3,130	3.00
<b>'A' credit rated bonds</b>					<b>1,031</b>	<b>0.99</b>
Coventry Building Society FRN	151,000	£	07.11.2027		183	0.18
HSBC Holdings FRN	400,000	€	10.03.2028		412	0.39
Rothsay Life 3.375%	390,000	£	12.07.2026		436	0.42

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>United Kingdom</b> (continued)						
<b>'BBB' credit rated bonds</b>					<b>8,695</b>	<b>8.32</b>
Arqiva Financing 7.21%	340,000	£	30.06.2045		428	0.41
Barclays 4.836%	480,000	US\$	09.05.2028		432	0.41
Close Brothers Group 7.75%	330,000	£	14.06.2028		396	0.38
Inchcape 6.5%	350,000	£	09.06.2028		420	0.40
Lloyds Banking Group 4.55%	470,000	US\$	16.08.2028		425	0.41
National Grid Electricity Distribution East Midlands 3.53%	410,000	€	20.09.2028		411	0.39
Nationwide Building Society FRN	590,000	US\$	16.02.2028		510	0.49
NatWest Group FRN	410,000	€	06.09.2028		416	0.40
Northern Gas Networks Finance 4.875%	360,000	£	30.06.2027		419	0.40
Principality Building Society 8.625%	330,000	£	12.07.2028		421	0.40
RAC Bond 4.87%	370,000	£	06.05.2046		424	0.41
Santander UK Group Holdings FRN	420,000	€	25.08.2028		418	0.40
Scotland Gas Networks 3.25%	380,000	£	08.03.2027		423	0.40
SP Manweb 4.875%	360,000	£	20.09.2027		422	0.40
Stagecoach Group 4%	370,000	£	29.09.2025		420	0.40
Standard Chartered FRN	450,000	€	27.01.2028		415	0.40
Thames Water Utilities Finance 0.875%	490,000	€	31.01.2028		413	0.40
Travis Perkins 3.75%	185,000	£	17.02.2026		207	0.20
Virgin Money FRN	370,000	£	03.09.2027		419	0.40
Whitbread Group 2.375%	400,000	£	31.05.2027		428	0.41
Yorkshire Building Society FRN	400,000	£	13.09.2028		428	0.41
<b>'BB' credit rated bonds</b>					<b>2,918</b>	<b>2.79</b>
Bellis Acquisition 3.25%	200,000	£	16.02.2026		220	0.21
Canary Wharf Group Investment Holdings 3.375%	330,000	£	23.04.2028		286	0.27
Co-operative Bank Holdings FRN	220,000	£	24.05.2028		281	0.27
Daily Mail & General Trust 6.375%	250,000	£	21.06.2027		280	0.27
Gatwick Airport Finance 4.375%	230,000	£	07.04.2026		260	0.25
Heathrow Finance 3.875%	250,000	£	01.03.2027		275	0.26
Jaguar Land Rover Automotive 4.5%	250,000	€	15.07.2028		249	0.24

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>United Kingdom</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Pinewood Finance 3.625%	250,000	£	15.11.2027		274	0.26
Premier Foods Finance 3.5%	240,000	£	15.10.2026		269	0.26
Rolls-Royce 1.625%	290,000	€	09.05.2028		266	0.25
Synthomer 3.875%	260,000	€	01.07.2025		258	0.25
<b>'B' credit rated bonds</b>					<b>490</b>	<b>0.47</b>
Ocado Group 3.875%	210,000	£	08.10.2026		221	0.21
Sherwood Financing 4.5%	290,000	€	15.11.2026		269	0.26
<b>United States</b>					<b>23,200</b>	<b>22.21</b>
<b>'AAA' credit rated bonds</b>						
New York Life Global Funding 4.9%	450,000	US\$	13.06.2028		417	0.40
<b>'AA' credit rated bonds</b>					<b>4,274</b>	<b>4.09</b>
Bank of America 4.134%	400,000	€	12.06.2028		410	0.39
MassMutual Global Funding II 5.05%	440,000	US\$	14.06.2028		409	0.39
Metropolitan Life Global Funding I 4%	400,000	€	05.04.2028		410	0.39
US Treasury Note 4.25%	3,300,000	US\$	30.09.2024		3,045	2.92
<b>'A' credit rated bonds</b>					<b>2,789</b>	<b>2.67</b>
Athene Global Funding 1.985%	530,000	US\$	19.08.2028		425	0.41
Booking Holdings 0.5%	460,000	€	08.03.2028		414	0.40
Equitable Financial Life Global Funding 6.375%	350,000	£	02.06.2028		432	0.41
Intel 4.875%	440,000	US\$	10.02.2028		409	0.39
JPMorgan Chase FRN	500,000	US\$	01.06.2028		424	0.40
Morgan Stanley FRN	450,000	€	29.10.2027		416	0.40
Truist Financial FRN	300,000	US\$	06.06.2028		269	0.26
<b>'BBB' credit rated bonds</b>					<b>12,868</b>	<b>12.32</b>
Albemarle 4.65%	450,000	US\$	01.06.2027		409	0.39
American Tower 5.25%	340,000	US\$	15.07.2028		315	0.30
Ashtead Capital 4%	470,000	US\$	01.05.2028		410	0.39
Bayer 6.65%	420,000	US\$	15.02.2028		401	0.38
BorgWarner 2.65%	490,000	US\$	01.07.2027		421	0.40

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>United States</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Broadcom 4.11%	470,000	US\$	15.09.2028		421	0.40
Capital One Financial FRN	460,000	US\$	10.05.2028		421	0.40
Celanese US Holdings 0.625%	500,000	€	10.09.2028		435	0.42
Charter Communications Operating Via Charter Communications Operating Capital 4.2%	300,000	US\$	15.03.2028		262	0.25
Citigroup FRN	410,000	€	22.09.2028		413	0.40
Concentrix 6.6%	450,000	US\$	02.08.2028		421	0.40
Corning 3.875%	400,000	€	15.05.2026		401	0.38
CVS Health 4.3%	450,000	US\$	25.03.2028		407	0.39
Daimler Truck Finance North America 5.4%	440,000	US\$	20.09.2028		414	0.40
Dell International Via EMC 5.25%	440,000	US\$	01.02.2028		413	0.40
Discovery Communications 3.95%	470,000	US\$	20.03.2028		412	0.39
DXC Technology 2.375%	530,000	US\$	15.09.2028		427	0.41
Fifth Third Bank FRN	500,000	US\$	01.11.2027		422	0.40
Ford Motor Credit 6.125%	240,000	€	15.05.2028		259	0.25
General Motors Financial 5.8%	440,000	US\$	23.06.2028		416	0.40
Goldman Sachs Group 7.25%	320,000	£	10.04.2028		405	0.39
Harley-Davidson Financial Services 6.5%	440,000	US\$	10.03.2028		418	0.40
HCA 5.2%	440,000	US\$	01.06.2028		409	0.39
HP 4.75%	450,000	US\$	15.01.2028		415	0.40
KeyBank 5.85%	450,000	US\$	15.11.2027		414	0.40
Mylan 4.55%	460,000	US\$	15.04.2028		412	0.40
Nasdaq 5.35%	440,000	US\$	28.06.2028		413	0.40
Oracle 2.3%	500,000	US\$	25.03.2028		419	0.40
Pacific Gas and Electric 3.75%	480,000	US\$	01.07.2028		417	0.40
Tapestry 5.375%	403,000	€	27.11.2027		418	0.40
Verizon Communications 2.1%	500,000	US\$	22.03.2028		417	0.40
Wells Fargo FRN	450,000	US\$	25.07.2028		411	0.39

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>United States</b> (continued)						
<b>'BB' credit rated bonds</b>					<b>2,852</b>	<b>2.73</b>
Albertsons Companies Via Safeway Via New Albertsons Via Albertsons 6.5%	270,000	US\$	15.02.2028		253	0.24
Avantor Funding 3.875%	270,000	€	15.07.2028		263	0.25
Belden 3.875%	270,000	€	15.03.2028		265	0.25
Chemours 4%	250,000	€	15.05.2026		240	0.23
Dana 5.625%	230,000	US\$	15.06.2028		208	0.20
DIRECTV Holdings Via DIRECTV Financing 5.875%	310,000	US\$	15.08.2027		272	0.26
Encore Capital Group 4.25%	260,000	£	01.06.2028		259	0.25
IQVIA 2.875%	280,000	€	15.06.2028		264	0.25
Iron Mountain 5%	300,000	US\$	15.07.2028		267	0.26
MPT Operating Partnership Via MPT Finance 0.993%	350,000	€	15.10.2026		281	0.27
Organon & Co Via Organon Foreign Debt Co-Issuer 2.875%	300,000	€	30.04.2028		280	0.27
<b>Debt derivatives</b>					<b>(209)</b>	<b>(0.20)</b>
<b>Interest rate futures</b>					<b>(209)</b>	<b>(0.20)</b>
Deutscher Bobl 5 year Futures	(317)	EUR	06.06.2024	314	(119)	(0.11)
UK Treasury Notes Futures	(32)	GBP	26.06.2024	38	(89)	(0.09)
US Treasury Notes 5 year Futures	(196)	USD	28.06.2024	183	(1)	0.00
<b>Currency</b>					<b>(388)</b>	<b>(0.37)</b>
<b>Forward currency contracts</b>					<b>(388)</b>	<b>(0.37)</b>
Bought for € 14,560,565.55, Sold for £ 12,455,211.15			11.04.2024	14,566	(2)	0.00
Bought for € 26,042,391.19, Sold for US\$ 28,512,699.50			11.04.2024	26,439	(388)	(0.37)
Bought for US\$ 179,701.00, Sold for € 164,887.02			11.04.2024	167	2	0.00
<b>Portfolio of investments</b>					<b>97,487</b>	<b>93.34</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Cash equivalents</b>					<b>2,888</b>	<b>2.77</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	2,888,000	€			<b>2,888</b>	<b>2.77</b>
<b>Total portfolio</b>					<b>100,375</b>	<b>96.11</b>
Net other assets/(liabilities)					4,065	3.89
<b>Net assets</b>					<b>104,440</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					98,084	93.91
Unrealised gains on forward currency contracts					2	0.00
<b>Total Investment assets</b>					<b>98,086</b>	<b>93.91</b>
<b>Investment liabilities</b>						
Unrealised losses on futures contracts					(209)	(0.20)
Unrealised losses on forward currency contracts					(390)	(0.37)
<b>Total Investment liabilities</b>					<b>(599)</b>	<b>(0.57)</b>
<b>Total portfolio</b>					<b>97,487</b>	<b>93.34</b>
<b>Cash equivalents</b>					<b>2,888</b>	<b>2.77</b>
<b>Net other assets/(liabilities)</b>					<b>4,065</b>	<b>3.89</b>
<b>Net assets</b>					<b>104,440</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts €'000	Collateral held as cash €'000
Citigroup Global Markets Limited	0	280
Merrill Lynch Pierce Fenner + Smith Inc	2	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'WI' Distribution	n/a	n/a	n/a	+4.2 <sup>a</sup>	27.09.23

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	
Class 'WI' Distribution	1,000,000.000	104.2142	0.29

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<b>NAV at sub-fund level</b>	<b>31.03.24</b> <b>€'000</b>
Net assets	104,440
Swing pricing adjustment (see note 10)	(226)
<b>Swing net assets</b>	<b>104,214</b>

# Investment review

## For the period from 9 November 2023 (launch date of the sub-fund) to 31 March 2024

### Performance review

The period under review, from the sub-fund's launch on 9 November 2023 to 31 March 2024, saw global stockmarkets overall post strong returns. Investor sentiment was bolstered by an easing of inflationary pressures, optimism over potential interest rate cuts in 2024 by the world's major central banks and evidence of an economic 'soft landing'.

A powerful rally in stockmarkets in the final two months of 2023 continued into 2024, when the US stockmarket registered its best first quarter in five years, driven partly by the continued appetite for artificial intelligence-related stocks.

The sub-fund aims to provide a higher total return (capital growth plus income) than that of the global equity market over any 5-year period, while applying environmental, social and governance (ESG) criteria.

### Investment activities

The sub-fund managers aim to identify long-term disruptive technological innovations associated with the artificial intelligence trend in their early stages. From the sub-fund's investment universe, the managers identify investment opportunities in the following three categories:

- Artificial Intelligence Enablers – companies providing key underlying artificial intelligence (AI) technology enabling AI services. Current holdings include NVIDIA, Tokyo Electron and SK Hynix;
- Artificial Intelligence Providers – companies providing AI services and products to end users. Current holdings include Meta, Microsoft and Apple;

- Artificial Intelligence Beneficiaries – companies that are receiving meaningful benefit from their use of AI that is expected to drive valuations over the long term. Current holdings include Visa, JP Morgan and Toyota Motor.

The sub-fund may allocate to these three categories in any proportions, but does not typically expect to hold more than 50% of its net asset value in any one category. The weightings in each category currently (as at 26 March 2024) are approximately 30% in Enablers, 40% Providers and 30% Beneficiaries. The sub-fund is expected to have between 50 and 70 holdings.

In this context, artificial intelligence refers to the development or use by a business of computer systems that perform tasks previously requiring human intelligence such as decision-making or audio or visual identification or perception. The investment approach combines research and financial analysis of individual companies.

The sub-fund managers seek to identify well-managed companies whose long-term prospects are not fully appreciated by the stock market. The managers' engagement with technical experts and executive management is a key part of the investment approach.

The expected key drivers of return are: the selection of AI themes over the lifecycle of a disruptive technology, security selection, and risk sizing and managing.

### Outlook

At around 50% in terms of weighting, technology holdings represent the most significant sector in the portfolio. Within technology, around a fifth of the portfolio is made of semiconductor companies. The 'chip' sector had a stellar first quarter in 2024, driven by the secular growth for AI, as well as a recovery in other end markets. We expect this strong demand for semiconductors to continue.

While regulations, such as the EU's Artificial Intelligence Act (aimed at protecting fundamental rights, democracy, the rule of law and environmental sustainability), could be seen as limiting the growth potential of AI, we prefer to take the view that the

## Investment review

regulations are validation of the potential huge impact AI will have on the global economy. In our opinion, proactive regulation is positive for the broad adoption for AI.

In the US, we believe that the presidential election should not have a major impact on the current policy towards the semiconductor industry. Firstly, the US has already restricted access to semiconductor technology to China under both the Trump and Biden administrations. Secondly, subsidies and support for semiconductor manufacturing in the US (which has bi-partisan support), is in both the interests of national security and helps mitigate supply-chain risks.

Whilst there is the possibility of increased regulation on the wider technology sector going forward, we believe that the leading technology companies can make adjustments to satisfy regulations that are not overly burdensome and so maintain their growth potential.

### Jeffrey Lin

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.



# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>116,158</b>	<b>96.79</b>
<b>United Kingdom</b>					<b>3,496</b>	<b>2.91</b>
AstraZeneca	13,655	£			1,844	1.53
Weir Group	65,058	£			1,652	1.38
<b>Denmark</b>						
Novo Nordisk 'B'	14,426	DKK			<b>1,844</b>	<b>1.54</b>
<b>Germany</b>					<b>3,403</b>	<b>2.83</b>
SAP	7,430	€			1,453	1.21
Siemens	10,210	€			1,950	1.62
<b>Netherlands (The)</b>						
ASML Holding	1,601	€			<b>1,548</b>	<b>1.29</b>
<b>Sweden</b>						
Epiroc 'A'	54,942	SEK			<b>1,036</b>	<b>0.86</b>
<b>United States</b>					<b>84,664</b>	<b>70.55</b>
Adobe	3,492	US\$			1,762	1.47
Alphabet 'A'	20,733	US\$			3,129	2.61
Amazon.com	10,880	US\$			1,957	1.63
Apple	18,827	US\$			3,252	2.71
Applied Materials	10,226	US\$			2,119	1.77
Arista Networks	6,103	US\$			1,761	1.47
Axon Enterprise	8,405	US\$			2,654	2.21
Broadcom	1,331	US\$			1,755	1.46
Caterpillar	5,332	US\$			1,946	1.62
Cisco Systems Delaware	45,088	US\$			2,243	1.87
Comcast 'A'	41,024	US\$			1,767	1.47
Deere & Co	3,891	US\$			1,592	1.33
Elevance Health	3,774	US\$			1,962	1.64
Exxon Mobil	15,006	US\$			1,727	1.44
Honeywell International	7,744	US\$			1,586	1.32
Humana	1,793	US\$			626	0.52
Intel	39,443	US\$			1,718	1.43
Intuit	2,666	US\$			1,731	1.44
Intuitive Surgical	2,631	US\$			1,052	0.88

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
JPMorgan Chase	13,005	US\$			2,596	2.16
Lam Research	2,216	US\$			2,130	1.77
Meta Platforms 'A'	8,981	US\$			4,435	3.70
Micron Technology	26,598	US\$			3,178	2.65
Microsoft	10,116	US\$			4,263	3.55
Motorola Solutions	8,307	US\$			2,936	2.45
Netflix	2,200	US\$			1,351	1.13
NVIDIA	6,499	US\$			5,851	4.88
ON Semiconductor	10,484	US\$			790	0.66
Oracle	8,844	US\$			1,108	0.92
Palo Alto Networks	5,512	US\$			1,549	1.29
PepsiCo	4,862	US\$			843	0.70
QUALCOMM	6,319	US\$			1,067	0.89
Salesforce	5,763	US\$			1,734	1.45
ServiceNow Inc	3,844	US\$			2,919	2.43
Snowflake 'A'	6,060	US\$			996	0.83
Teradata	31,217	US\$			1,228	1.02
Tesla	11,357	US\$			2,043	1.70
UnitedHealth Group	1,907	US\$			940	0.78
Visa 'A'	9,869	US\$			2,754	2.29
Walmart	29,397	US\$			1,785	1.49
Workday 'A'	6,687	US\$			1,829	1.52
<b>Japan</b>					<b>8,768</b>	<b>7.31</b>
Nippon Telegraph & Telephone	1,704,200	¥			2,031	1.69
Sony Group	22,700	¥			1,940	1.62
Tokyo Electron	10,600	¥			2,755	2.30
Toyota Motor	81,000	¥			2,042	1.70
<b>China</b>					<b>1,979</b>	<b>1.65</b>
Alibaba Group Holding	34,100	HK\$			306	0.25
Pinduoduo ADR	10,527	US\$			1,246	1.04
Tencent Holdings	11,000	HK\$			427	0.36

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>India</b>					<b>2,651</b>	<b>2.21</b>
Infosys ADR	41,893	US\$			746	0.62
Reliance Industries	26,650	US\$			1,905	1.59
<b>South Korea</b>					<b>4,044</b>	<b>3.37</b>
Samsung Electronics	26,880	KRW			1,614	1.35
SK Hynix	18,353	KRW			2,430	2.02
<b>Taiwan</b>						
Taiwan Semiconductor Manufacturing	86,000	TW\$			<b>2,068</b>	<b>1.72</b>
<b>Israel</b>						
Mobileye Global	20,130	US\$			<b>657</b>	<b>0.55</b>
<b>Portfolio of investments</b>					<b>116,158</b>	<b>96.79</b>
<b>Cash equivalents</b>					<b>2,634</b>	<b>2.20</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	2,634,000	US\$			<b>2,634</b>	<b>2.20</b>
<b>Total portfolio</b>					<b>118,792</b>	<b>98.99</b>
Net other assets/(liabilities)					1,214	1.01
<b>Net assets</b>					<b>120,006</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					116,158	96.79
<b>Total Investment assets</b>					<b>116,158</b>	<b>96.79</b>
<b>Total portfolio</b>					<b>116,158</b>	<b>96.79</b>
<b>Cash equivalents</b>					<b>2,634</b>	<b>2.20</b>
<b>Net other assets/(liabilities)</b>					<b>1,214</b>	<b>1.01</b>
<b>Net assets</b>					<b>120,006</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	n/a	n/a	n/a	+19.5 <sup>a</sup>	09.11.23
Class 'A' Distribution	n/a	n/a	n/a	+19.5 <sup>a</sup>	09.11.23
Class 'C' Accumulation	n/a	n/a	n/a	+20.0 <sup>a</sup>	09.11.23
Class 'C' Distribution	n/a	n/a	n/a	+20.0 <sup>a</sup>	09.11.23
Class 'CI' Accumulation	n/a	n/a	n/a	+20.0 <sup>a</sup>	09.11.23
Class 'CI' Distribution	n/a	n/a	n/a	+20.0 <sup>a</sup>	09.11.23
Class 'LI' Accumulation	n/a	n/a	n/a	+20.2 <sup>a</sup>	09.11.23
<b>Sterling</b>					
Class 'C' Accumulation	n/a	n/a	n/a	+17.7 <sup>a</sup>	09.11.23
Class 'CI' Accumulation	n/a	n/a	n/a	+17.7 <sup>a</sup>	09.11.23
Class 'LI' Accumulation	n/a	n/a	n/a	+17.9 <sup>a</sup>	09.11.23
<b>US dollar</b>					
Class 'A' Accumulation	n/a	n/a	n/a	+20.6 <sup>a</sup>	09.11.23
Class 'C' Accumulation	n/a	n/a	n/a	+21.1 <sup>a</sup>	09.11.23
Class 'CI' Accumulation	n/a	n/a	n/a	+21.1 <sup>a</sup>	09.11.23
Class 'LI' Accumulation	n/a	n/a	n/a	+21.3 <sup>a</sup>	09.11.23

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	
Class 'A' Accumulation	56,898.339	11.9505	2.06
Class 'A' Distribution	1,001.000	11.9524	1.97
Class 'C' Accumulation	1,002.000	11.9982	0.98
Class 'C' Distribution	1,003.000	11.9982	0.98
Class 'CI' Accumulation	4,600.000	12.0006	0.92
Class 'CI' Distribution	4,601.000	12.0006	0.92
Class 'LI' Accumulation	4,602.000	12.0213	0.47
<b>Sterling</b>		£	
Class 'C' Accumulation	1,000.000	11.7693	0.97
Class 'CI' Accumulation	4,600.000	11.7715	0.92
Class 'LI' Accumulation	4,601.000	11.7917	0.47
<b>US dollar</b>		US\$	
Class 'A' Accumulation	1,000.000	12.0606	1.97
Class 'C' Accumulation	1,001.000	12.1069	0.97
Class 'CI' Accumulation	4,600.000	12.1089	0.92
Class 'LI' Accumulation	9,804,601.000	12.1298	0.47

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000
Net assets	120,006
Swing pricing adjustment (see note 10)	104
<b>Swing net assets</b>	<b>120,110</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The 12-month period under review saw strong gains for stockmarkets around the world, particularly in the second half. Investor sentiment was bolstered by the easing of inflationary pressures, optimism about hoped-for cuts in interest rates by central banks and a potential economic 'soft landing'. The technology sector posted very strong returns, with companies seen as being at the forefront of the growth in artificial intelligence the standout performers.

Within fixed income, shorter-dated developed market sovereign bonds generally delivered a small positive total return, but performance of long-dated bonds (particularly in the UK and US) was held back a little by fears interest rates would stay higher for longer than previously anticipated.

Elsewhere, emerging market sovereign bonds (particularly hard currency) and investment grade and high yield corporate bonds recorded stronger gains. In general, these bonds benefited from their higher yields, a tightening of credit spreads – which indicates increased investor appetite for risk – and having a lower duration versus government bonds.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of the Refinitiv Global Focus Convertible Index across some of its share classes in the period under review. The index returned 6.51% in euro terms and the hedged index returned 7.91% in US dollar terms over the same period.

Relative performance was supported by holdings in convertibles issued by Bharti Airtel, Uber Technologies and Cyber Ark Software; an equity holding in Uber also added value. Profit at India-based telecommunications services company Bharti Airtel is benefiting from strong growth in its 5G network. Uber, a platform that connects consumers with providers of ride and delivery services, reported its first annual profit, which sent its shares and convertible bond higher. Cyber Ark was a

beneficiary of the rally in technology shares on the back of AI (artificial intelligence) euphoria.

Conversely, holdings in convertibles issued by Jazz Pharmaceuticals, H World and technology company ST Microelectronics held back relative returns. Disappointing financial results weighed on convertibles from Jazz Pharmaceuticals, whilst H World underperformed in common with other Chinese stocks, as the slowing Chinese economy weighed on sentiment.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We were active in adjusting the positioning of the portfolio, buying what we believed were attractively priced convertibles while reducing or selling those that no longer satisfied our selection criteria.

In April, we invested in a new convertible from SK Hynix, a South Korean semiconductor manufacturer, where we felt both the convertible and underlying equity were better value than STMicroelectronics convertibles. Accordingly we sold one of our STM convertible positions.

At the start of the second half of 2023, we bought a convertible from SolarEdge Technologies, after the underperformance of renewable energy made the shares look better value to us. We also bought a new convertible from Italian oil services group Saipem.

In September, we invested in four recently-issued US convertibles, from data storage provider Seagate Technologies, precision power equipment supplier Advanced Energy Industries, medical device manufacturer Shockwave Medical and Amphastar Pharmaceuticals. To make room for these, we disposed of convertibles from Qiagen, ESR, Snap, Airbnb, Nova and ON Semiconductor.

Later, we sold an equity stake in Palo Alto Networks after strong performance and bought three new, in our opinion attractively priced issues – from Uber and Spirit Aerosystems and an existing issue from Lenovo.

# Investment review

We also sold an equity holding in Airbnb, taking advantage of a significant rally in its share price and began a holding in a convertible from Merit Medical Systems. In addition, we closed the sub-fund's positions in bonds exchangeable into Mercedes and Siemens.

In the latter stages of the review period, we closed the sub-fund's positions in convertibles issued by FEMSA and Winnebago. We also switched out of a convertible issued by Lyft, into another issued by the US ride-hailing company, but with a longer maturity and lower strike price.

## Outlook

Central banks seem broadly comfortable with the path of inflation, but don't want to cut interest rates while economic growth remains strong. Bond markets now appear to have priced in a significant portion of this and we believe offer attractive real yields and potential diversification, if growth falters.

Equity valuations look demanding in places (most notably the US), but do not seem detached from earnings. We continue to prefer areas with lower valuations and a higher margin of safety. Europe has been a standout performer year-to-date, but continues to look attractive on a global basis.

## Léonard Vinville

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>3,052</b>	<b>1.57</b>
<b>Ireland</b>						
Aptiv	16,904	US\$			<b>1,327</b>	<b>0.68</b>
<b>Russia</b>						
Severstal <sup>a</sup>	85,835	US\$			<b>0</b>	<b>0.00</b>
<b>United States</b>						
Itron	5,396	US\$			<b>494</b>	<b>0.26</b>
<b>China</b>						
Longfor Group Holdings	404,000	HK\$			<b>571</b>	<b>0.29</b>
<b>Hong Kong</b>						
CIMC Enric Holdings	650,000	HK\$			<b>660</b>	<b>0.34</b>
<b>Fixed income</b>					<b>186,464</b>	<b>95.94</b>
<b>United Kingdom</b>					<b>14,751</b>	<b>7.59</b>
<b>Investment grade corporate bonds</b>					<b>5,871</b>	<b>3.02</b>
Barclays Bank 0%	1,565,000	US\$	18.02.2025		1,768	0.91
Barclays Bank 1%	3,821,000	US\$	16.02.2029		4,103	2.11
<b>Below investment grade corporate bonds</b>						
Ocado Group 3.875%	1,325,000	£	08.10.2026		<b>1,507</b>	<b>0.78</b>
<b>Corporate bonds with no credit rating</b>					<b>7,373</b>	<b>3.79</b>
Capital & Counties Properties 2%	2,800,000	£	30.03.2026		3,339	1.72
Immunocore Holdings 2.5%	961,000	US\$	01.02.2030		995	0.51
WH Smith 1.625%	2,600,000	£	07.05.2026		3,039	1.56
<b>Denmark</b>						
<b>Corporate bonds with no credit rating</b>						
GN Store Nord 0%	500,000	€	21.05.2024		<b>536</b>	<b>0.28</b>
<b>France</b>					<b>8,159</b>	<b>4.20</b>
<b>Investment grade corporate bonds</b>						
BNP Paribas 0%	3,300,000	€	13.05.2025		<b>4,430</b>	<b>2.28</b>
<b>Corporate bonds with no credit rating</b>					<b>3,729</b>	<b>1.92</b>
Orpar 2%	900,000	€	07.02.2031		996	0.51
SOITEC 0%	2,555,127	€	01.10.2025		2,733	1.41

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Germany</b>					<b>7,505</b>	<b>3.86</b>
<b>Corporate bonds with no credit rating</b>					<b>7,505</b>	<b>3.86</b>
Dürr 0.75%	2,100,000	€	15.01.2026		2,144	1.10
RAG STIFTUNG 1.875%	3,000,000	€	16.11.2029		3,376	1.74
Zalando 0.625%	2,100,000	€	06.08.2027		1,985	1.02
<b>Italy</b>					<b>11,808</b>	<b>6.08</b>
<b>Below investment grade corporate bonds</b>					<b>11,808</b>	<b>6.08</b>
Nexi 1.75%	1,400,000	€	24.04.2027		1,400	0.72
Prysmian 0%	5,300,000	€	02.02.2026		7,025	3.62
Saipem 2.875%	2,300,000	€	11.09.2029		3,383	1.74
<b>Netherlands (The)</b>					<b>6,785</b>	<b>3.49</b>
<b>Below investment grade corporate bonds</b>						
STMicroelectronics 0%	3,600,000	US\$	04.08.2027		<b>4,020</b>	<b>2.07</b>
<b>Corporate bonds with no credit rating</b>					<b>2,765</b>	<b>1.42</b>
Campari Group 2.375%	1,000,000	€	17.01.2029		1,108	0.57
ELM for Swiss Re 3.25%	600,000	US\$	13.06.2024		808	0.41
Pharming Group 3%	800,000	€	21.01.2025		849	0.44
<b>Spain</b>						
<b>Below investment grade corporate bonds</b>						
Cellnex Telecom 0.5%	4,000,000	€	05.07.2028		<b>4,485</b>	<b>2.31</b>
<b>United States</b>					<b>73,708</b>	<b>37.92</b>
<b>Investment grade corporate bonds</b>						
BofA Finance 0.6%	1,594,000	US\$	25.05.2027		<b>2,023</b>	<b>1.04</b>
<b>Below investment grade corporate bonds</b>					<b>31,241</b>	<b>16.07</b>
Akamai Technologies 0.375%	4,368,000	US\$	01.09.2027		4,626	2.38
Global Payments 1.5%	3,746,000	US\$	01.03.2031		3,933	2.02
Live Nation Entertainment 3.125%	3,242,000	US\$	15.01.2029		3,919	2.02
NextEra Energy Partners 0%	2,132,000	US\$	15.11.2025		1,895	0.98
Southwest Airlines 1.25%	4,361,000	US\$	01.05.2025		4,415	2.27
Spirit AeroSystems 3.25%	1,908,000	US\$	01.11.2028		2,671	1.37
Uber Technologies 0%	506,000	US\$	15.12.2025		572	0.29
Uber Technologies 0.875%	5,530,000	US\$	01.12.2028		6,919	3.56

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>United States</b> (continued)						
<b>Below investment grade corporate bonds</b> (continued)						
Uber Technologies 8%	2,259,000	US\$	01.11.2026		2,291	1.18
<b>Corporate bonds with no credit rating</b>					<b>40,444</b>	<b>20.81</b>
Advanced Energy Industries 2.5%	2,273,000	US\$	15.09.2028		2,318	1.19
Amphastar Pharmaceuticals 2%	1,131,000	US\$	15.03.2029		1,134	0.58
Box 0%	4,831,000	US\$	15.01.2026		5,827	3.00
Exact Sciences 0.375%	1,959,000	US\$	01.03.2028		1,782	0.92
Halozyme Therapeutics 1%	3,184,000	US\$	15.08.2028		3,104	1.60
InterDigital 3.5%	1,009,000	US\$	01.06.2027		1,448	0.74
Itron Inc 0%	1,968,000	US\$	15.03.2026		1,983	1.02
JPMorgan Chase Financial 0%	4,400,000	€	29.04.2025		5,425	2.79
Lantheus Holdings 2.625%	4,692,000	US\$	15.12.2027		5,172	2.66
Lyft 0.625%	738,000	US\$	01.03.2029		867	0.45
MACOM Technology Solutions Holdings 0.25%	1,671,000	US\$	15.03.2026		2,110	1.09
MP Materials 0.25%	641,000	US\$	01.04.2026		564	0.29
MP Materials 3%	2,486,000	US\$	01.03.2030		2,353	1.21
Pacira BioSciences 0.75%	961,000	US\$	01.08.2025		911	0.47
Shockwave Medical 1%	1,926,000	US\$	15.08.2028		2,453	1.26
SolarEdge Technologies 0%	2,006,000	US\$	15.09.2025		1,824	0.94
Stride 1.125%	880,000	US\$	01.09.2027		1,169	0.60
<b>Japan</b>					<b>5,876</b>	<b>3.02</b>
<b>Corporate bonds with no credit rating</b>					<b>5,876</b>	<b>3.02</b>
INFRONEER Holdings 0%	190,000,000	¥	30.03.2029		1,290	0.66
Park24 0%	360,000,000	¥	24.02.2028		2,317	1.19
Sanrio 0%	260,000,000	¥	14.12.2028		2,269	1.17
<b>Australia</b>						
<b>Investment grade corporate bonds</b>						
DEXUS Finance 3.5%	4,100,000	AU\$	24.11.2027		2,926	1.50

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>China</b>						
<b>Corporate bonds with no credit rating</b>						
Pharmaron Beijing 0%	2,100,000	US\$	18.06.2026		<b>2,063</b>	<b>1.06</b>
<b>Hong Kong</b>						
<b>Below investment grade corporate bonds</b>						
Lenovo Group 2.5%	792,000	US\$	26.08.2029		<b>971</b>	<b>0.50</b>
<b>South Korea</b>						
<b>Below investment grade corporate bonds</b>						
SK Hynix 1.75%	1,800,000	US\$	11.04.2030		<b>2,928</b>	<b>1.51</b>
<b>Israel</b>						
<b>Corporate bonds with no credit rating</b>						
CyberArk Software 0%	978,000	US\$	15.11.2024		1,655	0.85
Nice 0%	3,203,000	US\$	15.09.2025		3,336	1.72
<b>Mauritius</b>						
<b>Corporate bonds with no credit rating</b>						
HTA Group 2.875%	2,600,000	US\$	18.03.2027		<b>2,313</b>	<b>1.19</b>
<b>Bermuda</b>						
<b>Below investment grade corporate bonds</b>						
Jazz Investments I 2%	4,589,000	US\$	15.06.2026		<b>4,557</b>	<b>2.34</b>
<b>British Virgin Islands</b>						
<b>Corporate bonds with no credit rating</b>						
Sail Vantage 0%	21,000,000	HK\$	13.01.2027		<b>2,636</b>	<b>1.36</b>
<b>Cayman Islands</b>						
<b>Below investment grade corporate bonds</b>						
Longfor Group Holdings 3.85%	1,512,000	US\$	13.01.2032		707	0.36
Longfor Group Holdings 3.95%	2,418,000	US\$	16.09.2029		1,294	0.67
Meituan 0%	5,500,000	US\$	27.04.2028		4,862	2.50
Seagate HDD Cayman 3.5%	5,429,000	US\$	01.06.2028		6,963	3.58
Zhongsheng Group Holdings 0%	22,000,000	HK\$	21.05.2025		3,066	1.58
<b>Corporate bonds with no credit rating</b>						
CIMC Enric Holdings 0%	18,000,000	HK\$	30.11.2026		2,290	1.18
Huazhu Group 3%	3,271,000	US\$	01.05.2026		3,791	1.95

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Cayman Islands (continued)</b>						
<b>Corporate bonds with no credit rating (continued)</b>						
Trip.com Group 1.5%	2,090,000	US\$	01.07.2027		2,391	1.23
ZTO Express Cayman 1.5%	4,177,000	US\$	01.09.2027		4,102	2.11
<b>Portfolio of investments</b>					<b>189,516</b>	<b>97.51</b>
<b>Cash Equivalents</b>					<b>3,851</b>	<b>1.98</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	3,851,000	US\$			<b>3,851</b>	<b>1.98</b>
<b>Share class hedging</b>					<b>(304)</b>	<b>(0.14)</b>
Bought for AU\$ 1,660.37, Sold for € 1,000.94			24.04.2024	2	0	0.00
Bought for CHF 8,406.79, Sold for AU\$ 14,369.94			24.04.2024	19	0	0.00
Bought for CHF 116,827.06, Sold for € 120,385.42			24.04.2024	259	0	0.00
Bought for CHF 22,648.69, Sold for £ 20,021.38			24.04.2024	50	0	0.00
Bought for CHF 25,870.35, Sold for HK\$ 225,960.80			24.04.2024	57	0	0.00
Bought for CHF 13,236.85, Sold for ¥ 2,227,144.00			24.04.2024	29	0	0.00
Bought for CHF 374,198.57, Sold for US\$ 418,108.45			24.04.2024	414	(4)	0.00
Bought for € 1,280,084.15, Sold for AU\$ 2,123,209.53			24.04.2024	2,758	2	0.00
Bought for € 3,446,188.81, Sold for £ 2,956,192.45			24.04.2024	7,446	(9)	0.00
Bought for € 3,930,461.87, Sold for HK\$ 33,313,592.47			24.04.2024	8,495	(17)	(0.01)
Bought for € 2,019,970.37, Sold for ¥ 329,804,604.00			24.04.2024	4,357	(7)	0.00
Bought for € 56,877,181.16, Sold for US\$ 61,672,663.13			24.04.2024	61,339	(281)	(0.14)
Bought for £ 2,025.30, Sold for € 2,359.87			24.04.2024	5	0	0.00
Bought for HK\$ 20,183.77, Sold for € 2,380.22			24.04.2024	5	0	0.00
Bought for ¥ 301,065.00, Sold for € 1,840.14			24.04.2024	4	0	0.00
Bought for US\$ 158,896.79, Sold for AU\$ 243,061.04			24.04.2024	158	1	0.00
Bought for US\$ 13,519.41, Sold for CHF 12,101.87			24.04.2024	13	0	0.00
Bought for US\$ 2,402,419.73, Sold for € 2,215,578.70			24.04.2024	2,391	10	0.01
Bought for US\$ 430,701.34, Sold for £ 340,724.57			24.04.2024	429	1	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b> (continued)						
Bought for US\$ 493,995.36, Sold for HK\$ 3,861,296.62			24.04.2024	494	0	0.00
Bought for US\$ 250,720.32, Sold for ¥ 37,751,209.00			24.04.2024	249	0	0.00
<b>Total portfolio</b>					<b>193,063</b>	<b>99.35</b>
Net other assets/(liabilities)					1,287	0.65
<b>Net assets</b>					<b>194,350</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					3,052	1.57
Debt securities					186,464	95.94
Unrealised gains on forward currency contracts					14	0.01
<b>Total Investment assets</b>					<b>189,530</b>	<b>97.52</b>
<b>Investment liabilities</b>						
Unrealised losses on forward currency contracts					(318)	(0.15)
<b>Total Investment liabilities</b>					<b>(318)</b>	<b>(0.15)</b>
<b>Total portfolio</b>					<b>189,212</b>	<b>97.37</b>
<b>Cash equivalents</b>					<b>3,851</b>	<b>1.98</b>
<b>Net other assets/(liabilities)</b>					<b>1,287</b>	<b>0.65</b>
<b>Net assets</b>					<b>194,350</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	17

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+7.2	-1.0	+3.2	+3.8	13.07.07	09.11.18
Class 'A' Distribution	+7.2	-1.0	+3.2	+3.8	12.07.13	09.11.18
Class 'A-H' Accumulation	+5.6	-4.0	+1.3	+2.5	21.05.10	09.11.18
Class 'A-H' Distribution	+5.6	-4.0	+1.3	+1.5	12.07.13	09.11.18
Class 'B' Accumulation	+6.7	-1.5	+2.7	+3.3	26.07.13	09.11.18
Class 'B' Distribution	+6.7	-1.5	+2.7	+1.9	11.09.15	09.11.18
Class 'B-H' Accumulation	+5.0	-4.5	+0.8	+0.8	26.07.13	09.11.18
Class 'B-H' Distribution	+4.9	-4.5	+0.7	+0.1	11.09.15	09.11.18
Class 'C' Accumulation	+8.0	-0.2	+4.0	+4.6	13.07.07	09.11.18
Class 'C' Distribution	+8.0	-0.2	+4.0	+4.4	08.08.14	09.11.18
Class 'C-H' Accumulation	+6.3	-3.3	+2.0	+3.4	21.05.10	09.11.18
Class 'C-H' Distribution	+6.3	-3.4	+2.0	+1.6	08.08.14	09.11.18
Class 'CI' Accumulation	+8.1	-0.2	+4.0	+4.6	13.07.07	19.11.18
Class 'CI-H' Accumulation	+6.4	-3.5	+1.9	+3.4	21.05.10	19.11.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+3.3	-4.9	+0.6	+1.6	28.09.12	09.11.18
Class 'C-H' Accumulation	+4.0	-4.3	+1.3	+2.3	28.09.12	09.11.18
<b>US dollar</b>						
Class 'A-H' Accumulation	+7.6	-2.0	+3.4	+3.8	28.09.12	09.11.18
Class 'A-H' Distribution	+7.5	-2.0	+3.4	+2.8	08.08.14	09.11.18
Class 'C-H' Accumulation	+8.3	-1.3	+4.1	+4.5	28.09.12	09.11.18
Class 'C-H' Distribution	+8.3	-1.3	+4.1	+3.6	08.08.14	09.11.18
Class 'CI-H' Accumulation	+8.4	-1.3	+4.2	+4.2	n/a	19.11.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Global Convertibles Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Convertibles Fund is a UK authorised sub-fund which launched on 13 July 2007 and its non-Sterling share classes merged into M&G (Lux) Global Convertibles Fund on 7 December 2018.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	2,701,090.889	18.7666	17.5036	18.7110	1.71
Class 'A' Distribution	338,070.135	16.5379	15.5214	16.6639	1.71
Class 'A-H' Accumulation	533,793.744	14.1748	13.4283	14.8154	1.73
Class 'A-H' Distribution	163,169.628	12.5469	11.9551	13.2687	1.73
Class 'B' Accumulation	434,733.427	14.1996	13.3096	14.2991	2.21
Class 'B' Distribution	16,003.105	10.6896	10.0829	10.8793	2.21
Class 'B-H' Accumulation	117,737.153	10.9461	10.4219	11.5725	2.23
Class 'B-H' Distribution	14,024.334	9.2314	8.8543	9.8646	2.23
Class 'C' Accumulation	961,043.609	21.2696	19.6913	20.8911	0.97
Class 'C' Distribution	612.941	18.6971	17.4180	18.5605	0.97
Class 'C-H' Accumulation	4,013,616.955	15.8713	14.9263	16.3621	0.98
Class 'C-H' Distribution	1,726.428	13.8880	13.1400	14.5273	0.98
Class 'CI' Accumulation	71,399.891	12.4890	11.5580	12.2596	0.93
Class 'CI-H' Accumulation	1,004,600.000	11.0290	10.3676	11.4069	0.94
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	22,062.808	11.9379	11.5561	12.8540	1.73
Class 'C-H' Accumulation	22,435.037	12.9760	12.4723	13.7692	0.98
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A-H' Accumulation	462,376.015	15.2876	14.2136	15.2066	1.73
Class 'A-H' Distribution	18,878.461	13.7079	12.8299	13.7829	1.73
Class 'C-H' Accumulation	189,344.076	16.6607	15.3803	16.3333	0.98
Class 'C-H' Distribution	1,857.600	14.7894	13.7442	14.6703	0.98
Class 'CI-H' Accumulation	8,080.609	12.4505	11.4890	12.1895	0.94

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

# Financial highlights

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	194,350	238,307	376,940
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>194,350</b>	<b>238,307</b>	<b>376,940</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Overall, it was a positive period for global bond markets, as inflation moderated and major central banks reached the end of their tightening cycles. Sentiment improved significantly amid a broad market rally at the end of 2023. Indications of a dovish pivot in monetary policy from the US Federal Reserve sparked a powerful two-month rally in core government bonds, benefiting all segments of the fixed income market. The start of 2024 has been more challenging for bonds, as the strength of the US economy, coupled with hot inflation, resulted in investors dialling back expectations for the number of interest rate cuts this year.

Against this backdrop, the sub-fund delivered strong positive returns but underperformed its benchmark, the Bloomberg Global Aggregate Corporate Bond Index, which returned 3.76% in euros and 5.89% in US dollars. The main negative detractor from performance was asset allocation, with the sub-fund's lack of exposure to energy and real estate and underweight in telecoms being laggards for the sub-fund. On a more positive note, security selection supported performance, with tobacco names BAT Industries and Philip Morris delivering strong returns. Duration positioning was also a positive contributor.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the summer of 2023, we started to sell 10-year corporate bonds and move into 5-year bonds, where better yields were on offer. We had been long in corporate credit versus the index in the 10-year space for some time, so it felt prudent to reduce this 10-year above benchmark (overweight) position and to close out a longstanding below benchmark (underweight) in 5-year corporates.

In the autumn, we continued to reduce risk at the sub-fund level, including selling some tier 2 bonds during September and buying into new selected new issues

where pricing was favourable. Our preference was the 3–5-year part of the curve.

At the start of 2024, we added to our credit exposure given heavy issuance and attractive new issue premiums on offer. The US dollar and sterling markets were at historic tightness, so we reduced exposure and remained underweight, given that coupons did not adequately compensate investors for the risk. We continued to invest in banks and utilities where valuations were relatively more attractive.

Towards the end of the period under review, we moved US dollar duration back to neutral and increased euro and sterling duration. The US dollar has been exceptionally strong and so expectations for rate cuts are being pushed out. We feel that the Bank of England and European Central Bank may well cut rates first, and want to be in a position to benefit should this scenario materialise.

### Outlook

Looking ahead, we think the main opportunity remains in duration and we retain a long position here. We believe that the more likely scenario for this year is not a soft landing, but a slowdown followed by central banks cutting interest rates. Therefore, we want to be exposed to government bonds that have longer duration, which we would expect to perform well in such a scenario. We continue to favour the front end of the yield curve, with the 2–10-year part of the curve the focus of our attention. This is the case in all regions and is true in terms of both government yields and credit spreads.

### Ben Lord and Mario Eisenegger

Co-sub-fund managers

On 1 January 2024 Mario Eisenegger was appointed co-sub-fund manager. Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

# Investment review

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>167,024</b>	<b>93.34</b>
<b>Debt securities</b>					<b>166,911</b>	<b>93.28</b>
<b>'AAA' credit rated bonds</b>					<b>10,016</b>	<b>5.60</b>
Banco BPI 3.25%	100,000	€	22.03.2030		108	0.06
Commerzbank 3%	800,000	€	13.03.2034		868	0.49
Crédit Agricole Home Loan 3%	600,000	€	01.12.2030		649	0.36
Germany (Federal Republic of) 2.3%	1,418,012	€	15.02.2033		1,532	0.86
Kreditanstalt für Wiederaufbau 1.25%	1,418,000	US\$	31.01.2025		1,373	0.77
Kreditanstalt für Wiederaufbau 1.375%	683,000	£	09.12.2024		840	0.47
New York Life Global Funding 3.625%	850,000	€	09.01.2030		934	0.52
New York Life Global Funding 4.9%	2,748,000	US\$	13.06.2028		2,743	1.53
Novo Banco 3.25%	300,000	€	01.03.2027		323	0.18
Santander UK 3%	400,000	€	12.03.2029		431	0.24
TSB Bank 3.319%	197,000	€	05.03.2029		215	0.12
<b>'AA' credit rated bonds</b>					<b>27,424</b>	<b>15.32</b>
Banco Santander Totta 3.25%	500,000	€	15.02.2031		542	0.30
Cisco Systems 4.85%	600,000	US\$	26.02.2029		604	0.34
Cisco Systems 4.95%	600,000	US\$	26.02.2031		605	0.34
Crédit Agricole Italia 3.5%	200,000	€	15.07.2033		221	0.12
Crédit Agricole Italia 3.5%	400,000	€	11.03.2036		442	0.25
Iccrea Banca 3.5%	201,000	€	04.03.2032		220	0.12
MassMutual Global Funding II 3.75%	1,398,000	€	19.01.2030		1,533	0.86
Meta Platforms 3.85%	1,274,000	US\$	15.08.2032		1,191	0.67
Metropolitan Life Global Funding I 1.625%	631,000	£	12.10.2028		702	0.39
Metropolitan Life Global Funding I 2.95%	999,000	US\$	09.04.2030		887	0.50
Metropolitan Life Global Funding I 3%	160,000	US\$	19.09.2027		150	0.08
Metropolitan Life Global Funding I 3.45%	679,000	US\$	18.12.2026		652	0.36
Metropolitan Life Global Funding I 4.3%	731,000	US\$	25.08.2029		702	0.39
Metropolitan Life Global Funding I 5.15%	1,334,000	US\$	28.03.2033		1,333	0.75
Metropolitan Life Global Funding I 5.4%	659,000	US\$	12.09.2028		668	0.37
NBN 4.375%	562,000	€	15.03.2033		649	0.36
NBN 5.75%	477,000	US\$	06.10.2028		492	0.28
Nestlé Capital 4.5%	730,000	£	22.03.2029		921	0.52

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
New York Life Global Funding 0.25%	399,000	€	04.10.2028		378	0.21
Roche Holdings 1.93%	1,418,000	US\$	13.12.2028		1,251	0.70
Siemens Financieringsmaatschappij 1.7%	340,000	US\$	11.03.2028		304	0.17
Siemens Financieringsmaatschappij 3.625%	300,000	€	22.02.2044		327	0.18
Svenska Handelsbanken 5.5%	1,059,000	US\$	15.06.2028		1,070	0.60
UK Gilt 0.625%	1,550,000	£	22.10.2050		810	0.45
US Treasury Bond 1.125%	5,112,800	US\$	15.08.2040		3,157	1.76
US Treasury Bond 1.25%	5,042,900	US\$	15.05.2050		2,573	1.44
US Treasury Bond I/L 0.375%	3,055,700	US\$	15.01.2027		3,720	2.08
US Treasury Bond I/L 0.625%	407,700	US\$	15.02.2043		419	0.23
Westpac New Zealand 5.195%	900,000	US\$	28.02.2029		901	0.50
<b>'A' credit rated bonds</b>					<b>50,779</b>	<b>28.38</b>
AbbVie 3.2%	863,000	US\$	21.11.2029		795	0.44
Aena 4.25%	400,000	€	13.10.2030		452	0.25
ALD 3.875%	300,000	€	22.02.2027		325	0.18
American Water Capital 3.75%	1,074,000	US\$	01.09.2028		1,026	0.57
American Water Capital 6.593%	240,000	US\$	15.10.2037		271	0.15
Anheuser-Busch InBev 3.75%	448,000	€	22.03.2037		492	0.27
Banco Santander FRN	900,000	£	30.08.2028		1,120	0.63
Banco Santander 4.25%	500,000	€	12.06.2030		562	0.31
Banco Santander 5.588%	200,000	US\$	08.08.2028		203	0.11
Bank of America FRN	407,000	US\$	06.12.2025		395	0.22
Bank of America FRN	647,000	US\$	25.04.2029		647	0.36
Bank of America FRN	419,000	£	02.06.2029		465	0.26
Bank of America FRN	863,000	US\$	14.06.2029		762	0.43
Bank of America FRN	739,000	US\$	23.07.2029		712	0.40
Banque Fédérative du Crédit Mutuel 0.625%	400,000	€	03.11.2028		377	0.21
Banque Fédérative du Crédit Mutuel 3.125%	300,000	€	14.09.2027		320	0.18
Banque Fédérative du Crédit Mutuel 4.753%	759,000	US\$	13.07.2027		751	0.42
Banque Fédérative du Crédit Mutuel 5.375%	600,000	£	25.05.2028		772	0.43

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
BNP Paribas FRN	1,118,000	US\$	12.06.2029		1,124	0.63
Comcast 3.25%	679,000	US\$	01.11.2039		531	0.30
Comcast 3.4%	631,000	US\$	01.04.2030		583	0.33
Comcast 3.75%	1,059,000	US\$	01.04.2040		879	0.49
Comcast 5.35%	559,000	US\$	15.05.2053		552	0.31
Crédit Agricole FRN	252,000	US\$	26.01.2027		234	0.13
Crédit Agricole FRN	400,000	€	11.07.2029		442	0.25
Crédit Agricole FRN	599,000	US\$	10.01.2030		597	0.33
Credit Suisse 7.75%	380,000	£	10.03.2026		502	0.28
CSL Finance 3.85%	799,000	US\$	27.04.2027		772	0.43
CSL Finance 4.625%	280,000	US\$	27.04.2042		258	0.14
Duke Energy Progress 5.1%	900,000	US\$	15.03.2034		898	0.50
East Japan Railway 4.11%	240,000	€	22.02.2043		271	0.15
Elevance Health 4.625%	839,000	US\$	15.05.2042		761	0.43
Eli Lilly & Co 3.375%	735,000	US\$	15.03.2029		697	0.39
Entergy Texas 1.75%	559,000	US\$	15.03.2031		451	0.25
Essential Utilities 5.375%	1,058,000	US\$	15.01.2034		1,052	0.59
GlaxoSmithKline Capital 3.875%	631,000	US\$	15.05.2028		613	0.34
Honeywell International 3.375%	609,000	€	01.03.2030		657	0.37
HSBC Holdings FRN	539,000	£	24.07.2027		628	0.35
Intel 5.2%	400,000	US\$	10.02.2033		405	0.23
JPMorgan Chase FRN	1,090,000	US\$	01.02.2028		1,050	0.59
JPMorgan Chase FRN	1,294,000	US\$	01.06.2029		1,148	0.64
JPMorgan Chase FRN	1,178,000	US\$	15.10.2030		1,043	0.58
KBC Group FRN	489,000	US\$	19.01.2029		493	0.28
KBC Group 3.75%	500,000	€	27.03.2032		545	0.30
KeySpan Gas East 5.994%	1,394,000	US\$	06.03.2033		1,414	0.79
Lloyds Banking Group FRN	459,000	£	15.01.2026		562	0.31
Morgan Stanley FRN	431,000	US\$	20.04.2028		419	0.23
Morgan Stanley FRN	488,000	€	21.03.2030		530	0.30

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Morgan Stanley FRN	1,378,000	US\$	21.01.2033		1,169	0.65
Motability Operations Group 3.625%	429,000	€	24.07.2029		468	0.26
National Gas Transmission 5.75%	102,000	£	05.04.2035		132	0.07
National Rural Utilities Cooperative Finance 5.8%	959,000	US\$	15.01.2033		997	0.56
Pfizer Investment Enterprises 4.45%	100,000	US\$	19.05.2028		98	0.05
Philip Morris International 1.875%	1,117,000	€	06.11.2037		924	0.52
Philip Morris International 4.875%	863,000	US\$	15.02.2028		861	0.48
Philip Morris International 5.25%	475,000	US\$	07.09.2028		480	0.27
Philip Morris International 5.625%	418,000	US\$	17.11.2029		431	0.24
Potomac Electric Power 5.2%	900,000	US\$	15.03.2034		909	0.51
Saudi Arabian Oil 1.625%	466,000	US\$	24.11.2025		439	0.25
Skandinaviska Enskilda Banken 5.375%	600,000	US\$	05.03.2029		601	0.34
SMBC Aviation Capital Finance 5.7%	1,039,000	US\$	25.07.2033		1,047	0.59
Southern California Edison 2.25%	1,548,000	US\$	01.06.2030		1,318	0.74
Southern California Edison 2.85%	525,000	US\$	01.08.2029		473	0.26
Swedbank FRN	808,000	£	24.05.2029		1,050	0.59
Swedbank 6.136%	363,000	US\$	12.09.2026		368	0.21
UBS Group FRN	370,000	US\$	22.12.2027		378	0.21
UBS Group FRN	252,000	US\$	22.09.2029		260	0.15
UBS Group FRN	863,000	US\$	08.02.2030		863	0.48
UBS Group FRN	899,000	US\$	13.08.2030		801	0.45
UBS Group FRN	301,000	€	09.06.2033		329	0.18
UBS Group FRN	350,000	US\$	12.08.2033		368	0.21
Union Pacific 2.8%	1,989,000	US\$	14.02.2032		1,722	0.96
US Bancorp FRN	399,000	US\$	23.01.2030		400	0.22
Waste Connections 2.2%	2,337,000	US\$	15.01.2032		1,913	1.07
Wells Fargo FRN	479,000	US\$	24.04.2034		475	0.27
Yorkshire Building Society FRN	348,000	£	12.09.2027		455	0.25
Yorkshire Water Finance 5.25%	395,000	£	28.04.2030		492	0.28

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt securities (continued)</b>						
<b>'BBB' credit rated bonds</b>					<b>75,834</b>	<b>42.38</b>
A1 Towers Holding 5.25%	700,000	€	13.07.2028		795	0.44
ABN AMRO Bank 3.875%	300,000	€	15.01.2032		327	0.18
AEP Texas 3.95%	727,000	US\$	01.06.2028		695	0.39
AerCap Ireland Capital Via AerCap Global Aviation Trust 3%	519,000	US\$	29.10.2028		470	0.26
AIB Group FRN	414,000	€	23.07.2029		461	0.26
AIB Group FRN	204,000	US\$	13.09.2029		212	0.12
AIB Group FRN	800,000	US\$	28.03.2035		802	0.45
American International Group 5.125%	763,000	US\$	27.03.2033		759	0.42
APTIV 3.1%	419,000	US\$	01.12.2051		263	0.15
Arkema 4.25%	400,000	€	20.05.2030		448	0.25
Australia Pacific Airports 4%	366,000	€	07.06.2034		400	0.22
Autoliv 3.625%	165,000	€	07.08.2029		178	0.10
Autostrade per l'Italia 4.25%	162,000	€	28.06.2032		175	0.10
Autostrade per l'Italia 5.125%	102,000	€	14.06.2033		117	0.07
Banco Bilbao Vizcaya Argentaria FRN	800,000	US\$	14.09.2028		817	0.46
Bank of Ireland Group FRN	509,000	US\$	30.09.2027		466	0.26
Barclays FRN	839,000	US\$	02.11.2033		931	0.52
BAT Capital 2.259%	631,000	US\$	25.03.2028		562	0.31
BAT Capital 6.421%	595,000	US\$	02.08.2033		621	0.35
BAT International Finance 2.25%	622,000	£	26.06.2028		695	0.39
BAT International Finance 2.25%	1,837,000	£	09.09.2052		1,033	0.58
Bayer Finance II 4.625%	479,000	US\$	25.06.2038		399	0.22
Bayer US Finance 6.25%	599,000	US\$	21.01.2029		609	0.34
Bayer US Finance 6.375%	399,000	US\$	21.11.2030		408	0.23
Belfius Bank 3.75%	200,000	€	22.01.2029		215	0.12
Bimbo Bakeries USA 5.375%	200,000	US\$	09.01.2036		198	0.11
BPCE FRN	399,000	US\$	19.10.2029		417	0.23
BPCE 6.125%	600,000	£	24.05.2029		777	0.43
Broadcom 1.95%	114,000	US\$	15.02.2028		102	0.06
CaixaBank FRN	759,000	US\$	13.09.2027		776	0.43

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
CaixaBank FRN	761,000	US\$	18.01.2029		776	0.43
CaixaBank FRN	200,000	€	14.11.2030		233	0.13
CaixaBank FRN	400,000	€	09.02.2032		437	0.24
CBRE Global Investors Open-Ended Funds 4.75%	329,000	€	27.03.2034		362	0.20
Celanese US Holdings 6.35%	735,000	US\$	15.11.2028		762	0.43
Charter Communications Operating Via Charter Communications Operating Capital 2.3%	1,314,000	US\$	01.02.2032		1,013	0.57
Charter Communications Operating Via Charter Communications Operating Capital 2.8%	1,146,000	US\$	01.04.2031		937	0.52
Charter Communications Operating Via Charter Communications Operating Capital 5.25%	494,000	US\$	01.04.2053		390	0.22
Concentrix 6.6%	1,122,000	US\$	02.08.2028		1,132	0.63
Constellation Energy Generation 6.5%	679,000	US\$	01.10.2053		746	0.42
Corning 4.125%	356,000	€	15.05.2031		394	0.22
Crelan FRN	400,000	€	23.01.2032		448	0.25
Danske Bank FRN	599,000	€	09.01.2032		647	0.36
Deutsche Bank FRN	500,000	€	04.04.2030		539	0.30
Dollar General 5.2%	459,000	US\$	05.07.2028		461	0.26
Dominion Energy 2.25%	300,000	US\$	15.08.2031		246	0.14
Dominion Energy 3.375%	683,000	US\$	01.04.2030		621	0.35
Dominion Energy 5.375%	559,000	US\$	15.11.2032		562	0.31
Électricité de France 4.95%	807,000	US\$	13.10.2045		710	0.40
Électricité de France 5.5%	400,000	£	25.01.2035		496	0.28
Électricité de France 5.7%	356,000	US\$	23.05.2028		361	0.20
Électricité de France 6.9%	271,000	US\$	23.05.2053		294	0.16
Enel Finance International 7.5%	716,000	US\$	14.10.2032		807	0.45
Engie 3.875%	300,000	€	06.03.2036		329	0.18
Engie 7%	550,000	£	30.10.2028		759	0.42
Essential Utilities 2.704%	1,318,000	US\$	15.04.2030		1,140	0.64
Eurofins Scientific 4.75%	736,000	€	06.09.2030		830	0.46
Eversource Energy 3.375%	1,019,000	US\$	01.03.2032		887	0.50

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Eversource Energy 5.5%	1,078,000	US\$	01.01.2034		1,077	0.60
Exelon 4.45%	240,000	US\$	15.04.2046		204	0.11
Fox 6.5%	1,318,000	US\$	13.10.2033		1,393	0.78
Fresenius Medical Care US Finance III 2.375%	950,000	US\$	16.02.2031		746	0.42
General Electric 6.75%	891,000	US\$	15.03.2032		992	0.55
General Motors Financial 5.4%	700,000	US\$	08.05.2027		702	0.39
HCA 5.125%	779,000	US\$	15.06.2039		734	0.41
Hiscox 6%	304,000	£	22.09.2027		391	0.22
IHG Finance 4.375%	157,000	€	28.11.2029		175	0.10
Imerys 4.75%	600,000	€	29.11.2029		664	0.37
Imperial Brands Finance 3.875%	1,206,000	US\$	26.07.2029		1,131	0.63
Imperial Brands Finance Netherlands 5.25%	409,000	€	15.02.2031		466	0.26
Intesa Sanpaolo 4%	1,178,000	US\$	23.09.2029		1,087	0.61
Islandsbanki 7.375%	100,000	€	17.05.2026		113	0.06
JAB Holdings 5%	600,000	€	12.06.2033		698	0.39
JBS USA LUX Via JBS USA Food Via JBS USA Finance 3.625%	459,000	US\$	15.01.2032		393	0.22
JBS USA LUX Via JBS USA Food Via JBS USA Finance 5.125%	711,000	US\$	01.02.2028		701	0.39
JBS USA LUX Via JBS USA Food Via JBS USA Finance 5.75%	763,000	US\$	01.04.2033		752	0.42
Kyndryl Holdings 2.7%	897,000	US\$	15.10.2028		794	0.44
Kyndryl Holdings 6.35%	234,000	US\$	20.02.2034		240	0.13
Landsbankinn 6.375%	112,000	€	12.03.2027		127	0.07
Lenovo Group 3.421%	439,000	US\$	02.11.2030		385	0.22
Liberty Utilities 5.577%	399,000	US\$	31.01.2029		401	0.22
Liberty Utilities 5.869%	519,000	US\$	31.01.2034		523	0.29
Lloyds Banking Group FRN	1,334,000	US\$	11.05.2027		1,229	0.69
Metropolitan Edison 5.2%	42,000	US\$	01.04.2028		42	0.02
Microchip Technology 5.05%	900,000	US\$	15.03.2029		899	0.50
National Grid 5.602%	863,000	US\$	12.06.2028		879	0.49

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
National Grid Electricity Transmission 1.375%	479,000	£	16.09.2026		554	0.31
Nationwide Building Society FRN	333,000	£	07.12.2027		429	0.24
NatWest Group FRN	685,000	£	29.03.2029		812	0.45
NatWest Group FRN	639,000	US\$	18.05.2029		625	0.35
NatWest Group FRN	839,000	US\$	13.09.2029		851	0.48
NextEra Energy Capital Holdings 2.25%	300,000	US\$	01.06.2030		255	0.14
NextEra Energy Capital Holdings 5.749%	521,000	US\$	01.09.2025		523	0.29
Norfolk Southern 5.05%	779,000	US\$	01.08.2030		782	0.44
Novo Banco FRN	400,000	€	08.03.2028		431	0.24
Orano 4%	300,000	€	12.03.2031		325	0.18
P3 Group 4.625%	143,000	€	13.02.2030		155	0.09
Pacific Gas and Electric 4.55%	313,560	US\$	01.07.2030		298	0.17
Pacific Gas and Electric 4.95%	479,328	US\$	01.07.2050		411	0.23
Paramount Global 4.2%	425,000	US\$	19.05.2032		353	0.20
Parker Hannifin 3.25%	1,238,000	US\$	14.06.2029		1,146	0.64
Pennsylvania Electric 5.15%	58,000	US\$	30.03.2026		58	0.03
Public Service Enterprise Group 5.2%	550,000	US\$	01.04.2029		550	0.31
Public Service Enterprise Group 6.125%	422,000	US\$	15.10.2033		443	0.25
Raiffeisen Bank International FRN	100,000	€	21.08.2029		108	0.06
Republic Services 5%	1,039,000	US\$	15.12.2033		1,030	0.58
Santander UK Group Holdings FRN	379,000	US\$	11.01.2028		348	0.20
Santander UK Group Holdings FRN	694,000	£	17.01.2029		783	0.44
Société Générale FRN	579,000	US\$	21.01.2033		485	0.27
Solvay 4.25%	200,000	€	03.10.2031		217	0.12
SW Finance I 7%	303,000	£	16.04.2040		383	0.21
SW Finance I 7.375%	235,000	£	12.12.2041		312	0.17
Takeda Pharmaceutical 3.025%	389,000	US\$	09.07.2040		293	0.16
Tesco FRN	951,000	£	05.11.2025		2,440	1.36
Thames Water Utilities Finance 2.375%	499,000	£	22.04.2040		370	0.21
Tyson Foods 5.4%	900,000	US\$	15.03.2029		907	0.51

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
UniCredit FRN	403,000	€	16.06.2026		422	0.24
UniCredit FRN	683,000	€	17.01.2029		768	0.43
Verizon Communications 2.1%	1,933,000	US\$	22.03.2028		1,739	0.97
Verizon Communications 2.55%	559,000	US\$	21.03.2031		477	0.27
Verizon Communications 2.65%	240,000	US\$	20.11.2040		169	0.10
Verizon Communications 3.5%	556,000	€	28.06.2032		600	0.34
Warnermedia Holdings 5.05%	559,000	US\$	15.03.2042		480	0.27
Warnermedia Holdings 5.141%	348,000	US\$	15.03.2052		288	0.16
Wells Fargo FRN	495,000	US\$	30.04.2026		477	0.27
Wells Fargo FRN	700,000	US\$	25.07.2029		708	0.40
Wells Fargo FRN	779,000	US\$	11.02.2031		671	0.38
Wells Fargo FRN	204,000	US\$	04.04.2031		195	0.11
Weyerhaeuser 4%	1,392,000	US\$	15.11.2029		1,314	0.73
Whitbread Group 2.375%	125,000	£	31.05.2027		144	0.08
Worldline 4.125%	300,000	€	12.09.2028		320	0.18
<b>'BB' credit rated bonds</b>					<b>2,858</b>	<b>1.60</b>
National Bank of Greece FRN	399,000	£	02.06.2027		530	0.30
National Bank of Greece FRN	434,000	€	29.01.2029		470	0.26
Permanent TSB Group Holdings FRN	318,000	€	25.04.2028		365	0.20
Piraeus Bank FRN	305,000	€	05.12.2029		353	0.20
Teva Pharmaceutical Finance Netherlands III 7.875%	576,000	US\$	15.09.2029		618	0.35
Videotron 5.125%	530,000	US\$	15.04.2027		522	0.29
<b>Debt derivatives</b>					<b>113</b>	<b>0.06</b>
<b>Credit default swaps</b>					<b>(20)</b>	<b>(0.01)</b>
America Movil Dec 2025	1,320,000	US\$		1,320	15	0.01
British American Tobacco Dec 2026	998,600	€		31,415	(19)	(0.01)
Deutsche Bank Jun 2026	440,000	€		47,452	(6)	0.00
Markit CDX North American Investment Grade Series 39 5 Year Dec 2027	2,396,600	US\$		88,847	(52)	(0.03)
Markit iTraxx Europe Series 38 5 Year Dec 2027	1,198,300	€		1,292	28	0.01
Vodafone Group Jun 2028	650,000	€		701	14	0.01

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt derivatives (continued)</b>						
<b>Interest rate swaps</b>					<b>150</b>	<b>0.08</b>
Pay 3.7207% Receive Var. Jan 2029	3,580,000	US\$		3,580	60	0.03
Pay Var. Receive 3.8557% Mar 2029	3,000,000	£		3,784	(3)	0.00
Pay Var. Receive 3.8141% Mar 2029	3,000,000	£		3,784	(10)	(0.01)
Pay 2.0547% Receive Var. Apr 2029	490,000	£		618	67	0.04
Pay 3.6737% Receive Var. Jan 2034	1,900,000	US\$		1,900	36	0.02
<b>Interest rate futures</b>					<b>(17)</b>	<b>(0.01)</b>
Deutscher Bobl 5 year Futures	72	€	06.06.2024	77	30	0.02
Deutscher Bund 10 year Futures	20	€	06.06.2024	22	17	0.01
Deutscher Schatz 2 year Futures	226	€	06.06.2024	242	(26)	(0.02)
US Treasury Notes 10 year Futures	(30)	US\$	18.06.2024	30	(2)	0.00
US Treasury Notes 10 year Futures	(12)	US\$	18.06.2024	12	7	0.00
US Treasury Notes 30 year Futures	39	US\$	18.06.2024	40	28	0.02
US Ultra Bond Futures	39	US\$	18.06.2024	42	16	0.01
Canada Government Bonds 10 year Futures	43	CA\$	19.06.2024	28	1	0.00
UK Treasury Notes Futures	(27)	£	26.06.2024	35	(82)	(0.05)
US Treasury Notes 2 year Futures	127	US\$	28.06.2024	254	(37)	(0.02)
US Treasury Notes 5 year Futures	(96)	US\$	28.06.2024	96	31	0.02
<b>Currency</b>					<b>350</b>	<b>0.21</b>
<b>Forward currency contracts</b>					<b>350</b>	<b>0.21</b>
Bought for € 937,409.94, Sold for US\$ 1,016,951.14			03.04.2024	1,011	(6)	0.00
Bought for £ 787,537.88, Sold for US\$ 998,240.80			03.04.2024	993	(5)	0.00
Bought for US\$ 31,439,584.71, Sold for € 28,926,468.74			03.04.2024	31,196	244	0.14
Bought for US\$ 22,061,298.72, Sold for £ 17,398,997.31			03.04.2024	21,944	117	0.07
<b>Portfolio of investments</b>					<b>167,374</b>	<b>93.55</b>
<b>Cash equivalents</b>					<b>4,689</b>	<b>2.62</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	4,689,000	US\$			<b>4,689</b>	<b>2.62</b>
<b>Share class hedging</b>					<b>(464)</b>	<b>(0.26)</b>
Bought for CHF 266,980.29, Sold for US\$ 298,328.67			24.04.2024	295	(3)	0.00
Bought for € 78,631,219.10, Sold for US\$ 85,262,339.74			24.04.2024	84,799	(390)	(0.22)

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b> (continued)						
Bought for £ 26,998,288.17, Sold for US\$ 34,127,861.12			24.04.2024	34,052	(72)	(0.04)
Bought for US\$ 6,694.63, Sold for CHF 5,992.69			24.04.2024	7	0	0.00
Bought for US\$ 316,813.73, Sold for € 292,308.11			24.04.2024	316	0	0.00
Bought for US\$ 321,591.95, Sold for £ 254,251.10			24.04.2024	320	1	0.00
<b>Total portfolio</b>					<b>171,599</b>	<b>95.91</b>
Net other assets/(liabilities)					7,337	4.09
<b>Net assets</b>					<b>178,936</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					166,911	93.28
Swap contracts					220	0.12
Unrealised gains on futures contracts					130	0.08
Unrealised gains on forward currency contracts					362	0.21
<b>Total Investment assets</b>					<b>167,623</b>	<b>93.69</b>
<b>Investment liabilities</b>						
Swap contracts					(90)	(0.05)
Unrealised losses on futures contracts					(147)	(0.09)
Unrealised losses on forward currency contracts					(476)	(0.26)
<b>Total Investment liabilities</b>					<b>(713)</b>	<b>(0.40)</b>
<b>Total portfolio</b>					<b>166,910</b>	<b>93.29</b>
<b>Cash equivalents</b>					<b>4,689</b>	<b>2.62</b>
<b>Net other assets/(liabilities)</b>					<b>7,337</b>	<b>4.09</b>
<b>Net assets</b>					<b>178,936</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	0	0	130	0
Barclays Bank London	171	0	0	3,220
BNP Paribas	10	0	0	0
Citigroup Global Markets Limited	0	3	0	0
Goldman Sachs International	0	6	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	13	0	0
Standard Chartered Bank	0	220	0	0
State Street Bank and Trust Company	0	2	0	0
UBS AG London	0	120	0	0

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A-H' Accumulation	+3.2	-3.1	+0.2	+1.5	05.09.13	07.12.18
Class 'A-H' Distribution	+3.3	-3.1	+0.2	+1.5	05.09.13	07.12.18
Class 'C-H' Accumulation	+3.6	-2.6	+0.7	+2.0	05.09.13	07.12.18
Class 'C-H' Distribution	+3.7	-2.7	+0.7	+2.0	05.09.13	07.12.18
Class 'CI-H' Accumulation	+3.7	-2.6	+0.7	+2.0	05.09.13	17.12.18
Class 'CI-H' Distribution	n/a	n/a	n/a	+4.2 <sup>b</sup>	n/a	27.06.23
<b>Sterling</b>						
Class 'CI-H' Distribution	+5.1	-1.5	n/a	+0.1	n/a	15.05.20
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+1.0	-4.1	-0.5	+0.8	05.09.13	07.12.18
Class 'C-H' Accumulation	+1.4	-3.7	-0.1	+1.3	05.09.13	07.12.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+5.3	-1.1	+2.3	+3.2	05.09.13	07.12.18
Class 'A' Distribution	+5.3	-1.1	+2.3	+2.7	08.08.14	07.12.18
Class 'C' Accumulation	+5.7	-0.7	+2.7	+3.7	05.09.13	07.12.18
Class 'C' Distribution	+5.7	-0.7	+2.7	+3.2	08.08.14	07.12.18
Class 'CI' Accumulation	+5.7	-0.7	+2.8	+3.7	05.09.13	17.12.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 7 December 2018 is that of the relevant Merged Share Class of the M&G Global Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Corporate Bond Fund is a UK authorised sub-fund which launched on 5 September 2013 and its non-Sterling share classes merged into M&G (Lux) Global Corporate Bond Fund on 7 December 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A-H' Accumulation	2,430,597.296	11.7187	11.3544	12.3110	0.90
Class 'A-H' Distribution	2,421,316.082	8.9609	9.0885	10.0949	0.90
Class 'C-H' Accumulation	905,696.470	12.3229	11.8915	12.8290	0.51
Class 'C-H' Distribution	1,091,411.759	9.2531	9.3486	10.3457	0.50
Class 'CI-H' Accumulation	649,018.308	10.7678	10.3830	11.2086	0.46
Class 'CI-H' Distribution	14,158.802	10.1490	n/a	n/a	0.47
<b>Sterling</b>		£	£	£	
Class 'CI-H' Distribution	2,934,697.015	9.1240	9.0932	9.9094	0.45
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,163.449	10.9317	10.8198	11.8133	0.89
Class 'C-H' Accumulation	20,679.631	11.5205	11.3622	12.3561	0.51
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	695,483.472	13.9777	13.2762	13.9601	0.88
Class 'A' Distribution	271,200.230	10.8094	10.7496	11.5845	0.89
Class 'C' Accumulation	1,123,402.061	14.7101	13.9163	14.5764	0.50
Class 'C' Distribution	831,863.501	11.2448	11.1395	11.9558	0.50
Class 'CI' Accumulation	1,797,819.250	12.0186	11.3653	11.8986	0.44

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	178,936	239,082	271,452
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>178,936</b>	<b>239,082</b>	<b>271,452</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The sub-fund underperformed the MSCI ACWI Net Return Index, which returned 23.95% in euros and 23.22% in US dollars. Not owning NVIDIA, whose share price tripled during the 12 months under review, provided the biggest drag on performance relative to the benchmark. We see more attractively valued opportunities elsewhere in the technology sector.

Sector allocation detracted, not helped by an overweight position in materials. Methanex, a methanol producer, moved sideways in a rising market. We are optimistic about the prospects for cash generation against a backdrop of strong methanol prices and the stock remains a core holding. Trinseo declined due to concerns about balance sheet risk, having missed the opportunity to sell a business before the operating environment turned sour. The specialty materials company secured a refinancing deal in September, but this positive development was unable to improve sentiment. We continue to believe that the shares are significantly undervalued.

abrdn and VF Corp led the laggards in financials and consumer discretionary, respectively, as both companies faced tough trading conditions. Takeda Pharmaceutical and Bristol Myers Squibb drifted lower in an out-of-favour healthcare sector.

Stock selection added value in technology, with the strongest contribution from Broadcom. The semiconductor stock doubled as a potential beneficiary of the structural growth in artificial intelligence (AI). Microsoft also delivered impressive gains.

Pandora rallied strongly as the Danish jewellery company demonstrated consistency in its profitable growth strategy, while Lundin Mining gathered momentum towards the end of the review period with the tailwind of a higher copper price.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

The sub-fund's weighting in financials increased with two new holdings: NN Group, a Dutch life insurer, and CME Group, the owner and operator of derivatives exchanges. In Asia, we continued to build our position in DBS Group, the Singaporean bank, and sold AIA Group, the Hong Kong-based insurer. We also reduced JPMorgan Chase in US banks.

The sub-fund gained exposure to utilities after we bought NextEra Energy. The US company, which claims to be the world's largest generator of renewable energy by way of wind and solar, plays a pivotal role in the energy transition, and a period of extreme weakness triggered by concerns about interest-rate sensitivity provided an attractive entry point.

We bought Meta Platforms after the owner of Facebook announced its maiden dividend. We believe that the strong momentum in operating performance can continue and support a rapidly rising dividend, a scenario which is not adequately reflected in an undemanding valuation, in our view. We reduced Microsoft and Broadcom into strength to manage their position size. We also sold KLA Corp and ASML after the semiconductor stocks rallied strongly.

Home Depot, the best-in-class operator in the US home improvement market, was the final purchase during the review period. We are optimistic about the prospect of continued market share gains in a large and fragmented industry. Elsewhere in consumer discretionary, we bought more VF Corp on weakness and sold Adidas into strength.

The sub-fund's energy exposure increased as we added to Keyera. We sold our legacy holding in Prosafe, which accounted for a negligible part of the portfolio. We also exited ABB and Accelleron Industries in industrials.

Unilever and Colgate-Palmolive provided a source of cash in consumer staples. In healthcare, we sold Novartis and bought more Roche and Bristol Myers.

### Outlook

We remain resolutely focused on dividend growth as a compelling strategy over the long term, without losing

# Investment review

sight of the reality that the global economy faces challenging times ahead. Dividend cuts will be inevitable for companies not equipped with the financial armoury to withstand a cyclical downturn. Balance sheet strength is a key consideration in our company research to ensure that dividends are sustainable in the current climate. We take comfort from the fact that many of our holdings are carrying net cash.

Despite the macroeconomic uncertainties in the short term, we are excited by the long-term opportunities being presented by a polarised market. The negative sentiment towards some areas is creating attractive entry points, in our view, for some world class companies with rock-solid balance sheets and excellent long-term growth potential. Being selective will be paramount. Capitalising on these opportunities will ultimately determine performance in the years to come and we remain optimistic about the future.

## Stuart Rhodes

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>3,191,529</b>	<b>97.95</b>
<b>United Kingdom</b>					<b>99,093</b>	<b>3.04</b>
Abrdn	51,909,492	£			92,396	2.84
Amcor	708,073	US\$			6,697	0.20
<b>Denmark</b>						
Pandora	244,808	DKK			<b>39,313</b>	<b>1.21</b>
<b>Finland</b>						
Kone 'B'	2,327,948	€			<b>107,678</b>	<b>3.30</b>
<b>Germany</b>						
Siemens	455,267	€			<b>86,963</b>	<b>2.67</b>
<b>Ireland</b>						
Medtronic	1,172,050	US\$			<b>101,769</b>	<b>3.12</b>
<b>Netherlands (The)</b>						
NN Group	1,497,513	€			<b>69,057</b>	<b>2.12</b>
<b>Sweden</b>						
Volvo 'B'	1,997,066	SEK			<b>54,334</b>	<b>1.67</b>
<b>Switzerland</b>					<b>165,409</b>	<b>5.08</b>
Cie Financiere Richemont	488,361	CHF			73,939	2.27
Roche Holdings	362,717	CHF			91,470	2.81
<b>United States</b>					<b>1,216,868</b>	<b>37.35</b>
Analog Devices	406,156	US\$			78,528	2.41
BlackRock	57,680	US\$			48,155	1.48
Bristol-Myers Squibb	2,081,518	US\$			110,991	3.41
Broadcom	155,896	US\$			205,501	6.31
CME Group	250,290	US\$			53,965	1.65
Coca-Cola	1,126,541	US\$			68,679	2.11
Elevance Health	88,083	US\$			45,797	1.40
Home Depot	74,890	US\$			28,903	0.89
JPMorgan Chase	15,089	US\$			3,012	0.09
Lowe's	325,375	US\$			82,344	2.53
Marsh & McLennan	256,390	US\$			52,063	1.60
Meta Platforms 'A'	138,907	US\$			68,592	2.10
Microsoft	366,612	US\$			154,500	4.74

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
NextEra Energy	858,311	US\$			54,465	1.67
PepsiCo	180,133	US\$			31,219	0.96
Trinseo	2,834,120	US\$			9,704	0.30
VF	5,550,829	US\$			83,341	2.56
Visa 'A'	132,976	US\$			37,109	1.14
<b>Canada</b>					<b>796,442</b>	<b>24.44</b>
Gibson Energy	9,593,845	CA\$			161,916	4.97
Intact Financial	313,765	CA\$			50,851	1.56
Keyera	8,597,732	CA\$			218,253	6.70
Lundin Mining	11,654,791	CA\$			114,615	3.52
Methanex	5,575,610	US\$			250,807	7.69
<b>Japan</b>						
Takeda Pharmaceutical	4,669,800	¥			<b>129,836</b>	<b>3.99</b>
<b>Australia</b>					<b>198,434</b>	<b>6.09</b>
Amcor	11,477,806	AU\$			107,610	3.30
Treasury Wine Estates	11,244,179	AU\$			90,824	2.79
<b>Singapore</b>						
DBS Group Holdings	2,556,200	SG\$			<b>68,216</b>	<b>2.09</b>
<b>Taiwan</b>						
Taiwan Semiconductor Manufacturing	1,614,000	TW\$			<b>38,807</b>	<b>1.19</b>
<b>South Africa</b>						
Motus Holdings	4,230,412	ZAR			<b>19,310</b>	<b>0.59</b>
<b>Portfolio of investments</b>					<b>3,191,529</b>	<b>97.95</b>
<b>Cash equivalents</b>					<b>29,055</b>	<b>0.89</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	29,055,000	US\$			<b>29,055</b>	<b>0.89</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b>					0	0.00
Bought for SG\$ 42,986.87, Sold for US\$ 31,993.80			24.04.2024	32	0	0.00
Bought for US\$ 84.91, Sold for SG\$ 114.10			24.04.2024	0	0	0.00
<b>Total portfolio</b>					3,220,584	98.84
Net other assets/(liabilities)					37,813	1.16
<b>Net assets</b>					3,258,397	100.00
<b>Portfolio summary</b>					Market value US\$'000	% of net assets
<b>Investment assets</b>						
Equity securities					3,191,529	97.95
<b>Total Investment assets</b>					<b>3,191,529</b>	<b>97.95</b>
<b>Total portfolio</b>					<b>3,191,529</b>	<b>97.95</b>
<b>Cash equivalents</b>					<b>29,055</b>	<b>0.89</b>
<b>Net other assets/(liabilities)</b>					<b>37,813</b>	<b>1.16</b>
<b>Net assets</b>					<b>3,258,397</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+12.2	+8.4	+9.0	+9.4	18.07.08	20.09.18
Class 'A' Distribution	+12.2	+8.4	+9.0	+8.2	12.07.13	20.09.18
Class 'C' Accumulation	+13.3	+9.5	+10.1	+10.5	18.07.08	20.09.18
Class 'C' Distribution	+13.3	+9.5	+10.1	+9.5	08.08.14	20.09.18
Class 'CI' Accumulation	+13.3	+9.5	+10.2	+10.5	18.07.08	20.09.18
Class 'CI' Distribution	+13.4	+9.5	+10.2	+9.5	08.08.14	20.09.18
Class 'G' Accumulation <sup>b</sup>	-0.7	+5.2	+7.6	+7.9	21.07.17	20.09.18
Class 'J' Accumulation	+13.5	+9.6	n/a	+9.5	n/a	16.03.21
Class 'J' Distribution	+13.5	+9.6	n/a	+9.4	n/a	16.03.21
Class 'JI' Accumulation	+13.5	+9.7	n/a	+9.5	n/a	16.03.21
Class 'JI' Distribution	+13.5	+9.7	n/a	+9.5	n/a	16.03.21

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Singapore dollar</b>						
Class 'A' Accumulation	+13.0	+5.5	+8.1	+7.5	16.01.15	20.09.18
Class 'A' Distribution	+13.0	+5.5	+8.1	+7.5	16.01.15	20.09.18
Class 'A-H' Accumulation	n/a	n/a	n/a	+7.9 <sup>c</sup>	n/a	30.05.23
Class 'A-H M' Distribution	n/a	n/a	n/a	+7.9 <sup>c</sup>	n/a	30.05.23
Class 'C' Accumulation	+14.2	+6.6	+9.2	+8.6	16.01.15	20.09.18
Class 'C' Distribution	+14.2	+6.6	+9.2	+8.6	16.01.15	20.09.18
<b>South African rand</b>						
Class 'A-H' Accumulation <sup>d</sup>	+9.3	n/a	n/a	+8.6	n/a	24.05.22
Class 'X-H' Accumulation <sup>d</sup>	+8.3	n/a	n/a	+7.5	n/a	24.05.22
<b>Sterling</b>						
Class 'C' Accumulation	+10.3	+9.6	+10.1	+9.9	n/a	22.02.19
Class 'C' Distribution	+10.3	+9.6	+10.1	+10.0	n/a	22.02.19
Class 'CI' Accumulation	+10.3	+9.6	+10.1	+10.3	n/a	14.03.19
Class 'CI' Distribution	+10.3	+9.6	+10.1	+10.3	n/a	14.03.19
<b>US dollar</b>						
Class 'A' Accumulation	+11.3	+5.4	+8.2	+6.8	18.07.08	20.09.18
Class 'A' Distribution	+11.3	+5.4	+8.2	+6.0	08.08.14	20.09.18
Class 'A M' Distribution	n/a	n/a	n/a	+9.7 <sup>c</sup>	n/a	30.05.23
Class 'A M F' Distribution	n/a	n/a	n/a	+2.0 <sup>c</sup>	n/a	06.03.24
Class 'C' Accumulation	+12.4	+6.4	+9.2	+7.9	18.07.08	20.09.18
Class 'C' Distribution	+12.4	+6.4	+9.2	+7.1	08.08.14	20.09.18
Class 'CI' Accumulation	+12.4	+6.5	+9.3	+7.9	18.07.08	20.09.18
Class 'X' Accumulation	+10.2	n/a	n/a	+1.6	n/a	21.04.22
Class 'X M F' Distribution	n/a	n/a	n/a	+2.0 <sup>c</sup>	n/a	06.03.24

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 18 September 2018 is that of the relevant Merged Share Class of the M&G Global Dividend Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Dividend Fund is a UK authorised sub-fund which launched on 18 July 2008 and its non-Sterling share classes merged into M&G (Lux) Global Dividend Fund on 7 December 2018.

<sup>b</sup> Returns are up to 28 November 2023 the close date of the share class.

<sup>c</sup> Not annualised.

<sup>d</sup> Returns are up to 28 December 2023 the close date of the share class.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	93,554,723.709	15.6140	13.9200	14.3598	1.91
Class 'A' Distribution	19,765,804.704	13.3573	12.2495	12.9735	1.91
Class 'C' Accumulation	19,456,929.218	16.5020	14.5665	14.8772	0.92
Class 'C' Distribution	3,003,349.224	14.1153	12.8162	13.4381	0.92
Class 'CI' Accumulation	9,776,214.984	16.5442	14.5965	14.9015	0.88
Class 'CI' Distribution	3,776,557.708	14.1266	12.8216	13.4387	0.88
Class 'G' Accumulation	n/a	n/a	14.4079	14.7511	n/a
Class 'J' Accumulation	9,245,601.544	13.1623	11.6013	11.8314	0.77
Class 'J' Distribution	1,048,640.595	12.1940	11.0563	11.5788	0.77
Class 'JI' Accumulation	30,222,550.722	13.1794	11.6118	11.8370	0.73
Class 'JI' Distribution	744,244.531	12.2122	11.0678	11.5842	0.72
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A' Accumulation	22,216.120	14.1994	12.5616	13.4640	1.91
Class 'A' Distribution	8,756.127	12.1468	11.0540	12.1716	1.92
Class 'A-H' Accumulation	2,000.000	10.7906	n/a	n/a	1.94
Class 'A-H M' Distribution	2,001.000	10.6091	n/a	n/a	1.94
Class 'C' Accumulation	25,344.276	15.0080	13.1475	13.9510	0.92
Class 'C' Distribution	27,148.826	12.8377	11.5668	12.6093	0.92
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H' Accumulation	n/a	n/a	156.6754	n/a	n/a
Class 'X-H' Accumulation	n/a	n/a	155.3613	n/a	n/a
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	12,242.604	16.2186	14.7070	14.4561	0.92
Class 'C' Distribution	258,711.394	14.1652	13.2126	13.3296	0.92
Class 'CI' Accumulation	4,600.000	16.4214	14.8849	14.6245	0.88
Class 'CI' Distribution	273,120.812	14.2061	13.2454	13.3574	0.88

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	8,559,510.272	14.3701	12.9134	13.5969	1.91
Class 'A' Distribution	977,792.908	12.2920	11.3623	12.2870	1.91
Class 'A M' Distribution	1,000.000	10.7841	n/a	n/a	1.92
Class 'A M F' Distribution	100.100	102.0369	n/a	n/a	2.06
Class 'C' Accumulation	1,528,571.250	15.1907	13.5159	14.0888	0.92
Class 'C' Distribution	625,170.294	12.9935	11.8916	12.7312	0.92
Class 'CI' Accumulation	841,633.923	15.2228	13.5390	14.1086	0.88
Class 'X' Accumulation	1,000.000	10.3128	9.3593	n/a	2.91
Class 'X M F' Distribution	100.000	101.9745	n/a	n/a	3.07

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

<b>NAV at sub-fund level</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Net assets	3,258,397	3,391,604	2,898,315
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>3,258,397</b>	<b>3,391,604</b>	<b>2,898,315</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Emerging market equities recorded a positive return in US dollar terms over the past 12 months. Concerns over the health of the Chinese economy, along with sentiment over the direction of developed market interest rates, hindered performance before the rebound towards the end of 2023. Slowing inflation in core economies, combined with dovish rhetoric from the US Federal Reserve (Fed), fuelled hopes that global interest rates may have reached their peak. More recently, however, investors scaled back hopes of imminent rate cuts following robust economic growth in the US.

Overall, emerging market stocks lagged their developed market peers, held back by the underperformance of China. While this impacted the likes of Thailand and Malaysia, some of the other Asian markets delivered solid returns on their exposure to technology stocks. Turkey was a standout performer over the review period, as markets welcomed the apparent return of monetary policy orthodoxy. In Latin America, some markets posted strong gains, particularly shares in Argentina which responded positively to the election of Javier Milei as president.

Against this backdrop, the sub-fund finished ahead of the benchmark over the period, which returned 8.80% in euros and 8.15% in US dollars. Our overweight position and favourable stock selection in South Korea were key drivers of the outperformance. Stock picking in China also added value, as did our underweight exposure to the country. The sale of Russian retailer X5 (which had been written down to zero), also contributed to relative returns.

By contrast, the below-benchmark exposure to the strongly performing Indian market was a detractor. At the sector level, consumer staples was most beneficial for relative returns mainly due to stock selection. Stock picking in financials was the main laggard.

Lack of exposure to select Chinese stocks dominated relative performance. For instance, zero-weights in

high-profile consumer-orientated stocks, such as Tencent and Meituan, were among the largest contributors to relative performance. By contrast, key detractors included the holding in Chinese consumer giant Alibaba Group and off-benchmark exposure to Chinese technology firm Baidu and biotech firm BeiGene. Exposure to South Korean companies boosted relative performance, with SK Square, Hana Financial and Samsung Fire & Marine Life all adding value.

### Investment activity

We took advantage of the market weakness and entered several new positions at what we felt were attractive prices. We initiated a holding in Chinese e-commerce firm JD.com, car distributor Inchcape, which has significant exposure to fast-growing developing economies and Energean, an exploration and production firm which operates major gas fields across the Mediterranean. Other sizeable new positions included miner Anglo American.

Meanwhile, we sold our positions in China Petroleum, Hollysys Automation and Chicony Electronics, among others.

### Outlook

Emerging markets have struggled more recently on disappointment that US interest rate cuts may not happen as quickly as investors had hoped. However, we remain positive on the asset class as global interest rates have more than likely peaked and we expect earnings growth to recover. The fragility of the Chinese economy has also weighed on sentiment. However, the emerging market complex as a whole remains undervalued and under-owned, which has led to attractive valuations, in our view.

Meanwhile, key geopolitical issues (Russia-Ukraine, Middle East and China-Taiwan) remain unresolved and the upcoming US elections are not helping to ease the uncertainty on this front. However, these factors are very hard to price. Rather than focus on the events specifically, we prefer to concentrate our efforts on diligently analysing companies from a bottom-up perspective and seek to take advantage of any market dislocation in valuations.

# Investment review

## Michael Bourke

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>124,998</b>	<b>96.60</b>
<b>United Kingdom</b>					<b>8,592</b>	<b>6.64</b>
Anglo American	59,003	£			1,438	1.11
Energiean	122,484	£			1,682	1.30
Inchcape	256,692	£			2,344	1.81
Prudential	163,557	£			1,542	1.19
Standard Chartered	60,100	HK\$			514	0.40
Standard Chartered	125,050	£			1,072	0.83
<b>Russia</b>					<b>0</b>	<b>0.00</b>
Lukoil <sup>a</sup>	43,975	RUB			0	0.00
Novatek <sup>a</sup>	68,055	RUB			0	0.00
Sberbank of Russia <sup>a</sup>	699,796	RUB			0	0.00
<b>United States</b>					<b>4,001</b>	<b>3.09</b>
BeiGene ADR	14,581	US\$			2,251	1.74
Kosmos Energy	296,942	US\$			1,750	1.35
<b>Canada</b>					<b>4,274</b>	<b>3.30</b>
First Quantum Minerals	83,452	CA\$			867	0.67
Lithium Americas	129,433	US\$			658	0.51
Teck Resources 'B'	62,562	US\$			2,749	2.12
<b>Brazil</b>					<b>11,465</b>	<b>8.86</b>
3R Petroleum Óleo e Gás	226,178	BRL			1,452	1.12
Banco Bradesco	249,332	BRL			717	0.55
Banco Bradesco	245,552	BRL			630	0.49
Banco do Brasil	97,759	BRL			1,095	0.85
Braskem 'A' Pref.	146,842	BRL			805	0.62
CCR	834,469	BRL			2,326	1.80
Centrais Eletricas Brasileiras 'B'	218,669	BRL			2,050	1.58
Raizen Pref.	2,545,551	BRL			1,745	1.35
Vale	53,175	BRL			645	0.50
<b>Colombia</b>					<b>1,809</b>	<b>1.40</b>
Banco Davivienda	115,771	COP			603	0.47
Bancolombia ADR	33,266	US\$			1,206	0.93

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Mexico</b>					<b>5,221</b>	<b>4.03</b>
Alfa 'A'	2,838,646	MXN			2,113	1.63
Controladora AXTEL	3,097,742	MXN			47	0.04
Fibra Uno Administracion	1,609,724	MXN			2,686	2.07
Nemak	1,884,738	MXN			375	0.29
<b>Peru</b>						
Credicorp	2,468	US\$			414	0.32
<b>China</b>					<b>25,315</b>	<b>19.56</b>
Alibaba Group Holding ADR	64,466	US\$			4,642	3.59
Autohome ADR	43,368	US\$			1,150	0.89
Baidu ADR	21,162	US\$			2,226	1.72
BYD 'H'	31,500	HK\$			813	0.63
China Communications Services 'H'	3,634,000	HK\$			1,692	1.31
China Construction Bank 'H'	3,925,000	HK\$			2,370	1.83
China Merchants Bank 'H'	175,500	HK\$			693	0.53
China Railway Signal & Communication 'H'	1,222,000	HK\$			467	0.36
China Tower 'H'	9,130,000	HK\$			1,057	0.82
China Yongda Automobiles Services Holdings	2,075,000	HK\$			581	0.45
Greatview Aseptic Packaging	4,836,000	HK\$			1,333	1.03
Horizon Construction Development	126,703	HK\$			32	0.02
JD.com ADR	80,859	US\$			2,239	1.73
KE Holdings	118,889	US\$			1,641	1.27
OneConnect Financial Technology	89,077	US\$			208	0.16
Ping An Insurance Group of China 'H'	538,500	HK\$			2,271	1.75
Trip.com Group ADR	33,481	US\$			1,470	1.14
Zai Lab	24,230	US\$			391	0.30
Zai Lab	23,700	HK\$			39	0.03
<b>Hong Kong</b>					<b>11,088</b>	<b>8.57</b>
AIA Group	305,800	HK\$			2,052	1.59
Far East Horizon	3,310,000	HK\$			2,451	1.89
First Pacific	4,627,721	HK\$			2,327	1.80
Hutchison China MediTech ADR	27,000	US\$			455	0.35

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Hong Kong (continued)</b>						
Hutchmed China	278,665	HK\$			952	0.74
Kunlun Energy	1,696,000	HK\$			1,417	1.10
Prudential	4,750	HK\$			45	0.03
VTech Holdings	228,800	HK\$			1,389	1.07
<b>Indonesia</b>					<b>2,800</b>	<b>2.16</b>
Bank Mandiri	3,095,000	IDR			1,413	1.09
Ciputra Development	9,327,300	IDR			766	0.59
Indofood Sukses Makmur	813,300	IDR			327	0.25
Pakuwon Jati	10,979,300	IDR			294	0.23
<b>India</b>					<b>3,534</b>	<b>2.73</b>
Axis Bank	52,419	INR			658	0.51
HDFC Bank	165,826	INR			2,876	2.22
<b>Philippines</b>						
GT Capital Holdings	136,276	PHP			<b>1,705</b>	<b>1.32</b>
<b>South Korea</b>						
Hana Financial Group	48,304	KRW			2,111	1.63
Hyundai Motor Pref.	13,741	KRW			1,618	1.25
Hyundai Motor Pref.	6,718	KRW			782	0.60
Samsung Electronics	111,741	KRW			6,711	5.19
Samsung Electronics Pref.	49,477	KRW			2,468	1.91
Samsung Fire & Marine Insurance	13,203	KRW			3,033	2.34
Samsung Fire & Marine Insurance	944	KRW			164	0.13
Shinhan Financial Group	73,794	KRW			2,588	2.00
SK Hynix	13,498	KRW			1,787	1.38
SK Square	36,775	KRW			2,146	1.66
<b>Taiwan</b>						
Delta Electronics	44,000	TW\$			471	0.36
Hon Hai Precision Industry	270,000	TW\$			1,314	1.01
Silicon Motion Technology ADR	8,924	US\$			680	0.53
Taiwan Semiconductor Manufacturing	319,000	TW\$			7,670	5.93

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Thailand</b>					<b>2,932</b>	<b>2.27</b>
Bangkok Bank	131,900	THB			503	0.39
Kasikornbank	366,900	THB			1,249	0.97
Thai Oil	731,000	THB			1,180	0.91
<b>Mauritius</b>						
Grit Real Estate Income Group	2,665,927	£			<b>706</b>	<b>0.55</b>
<b>South Africa</b>					<b>6,101</b>	<b>4.72</b>
Absa Group	156,453	ZAR			1,213	0.94
Motus Holdings	236,873	ZAR			1,081	0.84
Naspers	21,682	ZAR			3,807	2.94
<b>Kazakhstan</b>						
Air Astana	89,165	US\$			<b>798</b>	<b>0.62</b>
<b>Romania</b>						
Hydroelectrica	24,638	RON			<b>700</b>	<b>0.54</b>
<b>Portfolio of investments</b>					<b>124,998</b>	<b>96.60</b>
<b>Cash equivalents</b>					<b>2,788</b>	<b>2.15</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	2,788,000	US\$			<b>2,788</b>	<b>2.15</b>
<b>Share class hedging</b>					<b>(35)</b>	<b>(0.03)</b>
Bought for CHF 2,415,927.76, Sold for US\$ 2,699,601.93			24.04.2024	2,668	(26)	(0.02)
Bought for € 1,870,965.88, Sold for US\$ 2,028,757.53			24.04.2024	2,017	(9)	(0.01)
Bought for US\$ 60,992.05, Sold for CHF 54,596.91			24.04.2024	60	0	0.00
Bought for US\$ 6,751.75, Sold for € 6,228.16			24.04.2024	7	0	0.00
<b>Total portfolio</b>					<b>127,751</b>	<b>98.72</b>
Net other assets/(liabilities)					1,650	1.28
<b>Net assets</b>					<b>129,401</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	124,998	96.60
<b>Total Investment assets</b>	<b>124,998</b>	<b>96.60</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(35)	(0.03)
<b>Total Investment liabilities</b>	<b>(35)</b>	<b>(0.03)</b>
<b>Total portfolio</b>	<b>124,963</b>	<b>96.57</b>
<b>Cash equivalents</b>	<b>2,788</b>	<b>2.15</b>
<b>Net other assets/(liabilities)</b>	<b>1,650</b>	<b>1.28</b>
<b>Net assets</b>	<b>129,401</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	1

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+12.3	+4.3	+5.0	+9.0	05.02.09	26.10.18
Class 'A' Distribution	+12.3	+4.3	+5.0	+4.4	08.08.14	26.10.18
Class 'A-H' Accumulation	+9.2	-1.1	+1.7	+1.6	24.02.17	26.10.18
Class 'C' Accumulation	+13.4	+5.3	+6.1	+10.1	05.02.09	26.10.18
Class 'C' Distribution	+13.4	+5.3	+6.1	+5.5	08.08.14	26.10.18
Class 'C-H' Accumulation	+10.5	-0.1	+2.8	+2.6	24.02.17	26.10.18
Class 'CI' Accumulation	+13.4	+5.3	+6.1	+10.1	05.02.09	06.11.18
Class 'CI-H' Accumulation	+10.4	-0.1	n/a	+2.0	n/a	12.04.19
Class 'J' Accumulation	+13.5	+5.4	+6.2	+5.8	04.05.18	26.10.18
Class 'LI' Accumulation	n/a	n/a	n/a	+4.5 <sup>b</sup>	n/a	21.02.24

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Singapore dollar</b>						
Class 'A' Accumulation	+13.1	+1.5	+4.1	+4.2	16.01.15	26.10.18
Class 'A' Distribution	+13.1	+1.5	+4.1	+4.2	16.01.15	26.10.18
Class 'C' Accumulation	+14.2	+2.5	+5.2	+5.2	16.01.15	26.10.18
Class 'C' Distribution	+14.2	+2.5	+5.2	+5.2	16.01.15	26.10.18
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+7.0	-1.9	+1.2	+1.1	24.02.17	26.10.18
Class 'C-H' Accumulation	+8.2	-0.9	+2.3	+2.2	24.02.17	26.10.18
Class 'CI-H' Accumulation	+8.1	-0.9	+2.3	+2.2	24.02.17	06.11.18
<b>US dollar</b>						
Class 'A' Accumulation	+11.4	+1.4	+4.2	+7.7	05.02.09	26.10.18
Class 'A' Distribution	+11.4	+1.4	+4.2	+2.1	08.08.14	26.10.18
Class 'C' Accumulation	+12.5	+2.4	+5.2	+8.8	05.02.09	26.10.18
Class 'C' Distribution	+12.5	+2.4	+5.2	+3.1	08.08.14	26.10.18
Class 'CI' Accumulation	+12.5	+2.4	+5.3	+8.8	05.02.09	06.11.18
Class 'J' Accumulation	+12.6	+2.5	+5.3	+3.9	04.05.18	26.10.18
Class 'LI' Accumulation	n/a	n/a	n/a	+4.4 <sup>b</sup>	n/a	21.02.24

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Global Emerging Markets Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Emerging Markets Fund is a UK authorised sub-fund which launched on 5 February 2009 and its non-Sterling share classes merged into M&G (Lux) Global Emerging Markets Fund on 26 October 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,088,906.291	36.9026	32.8745	33.0565	2.02
Class 'A' Distribution	53,989.617	29.1678	26.9266	28.2108	2.02
Class 'A-H' Accumulation	36,163.109	11.1864	10.2402	10.9370	2.04
Class 'C' Accumulation	402,773.290	42.9047	37.8431	37.6737	1.03
Class 'C' Distribution	38,062.079	33.0559	30.2103	31.3277	1.03
Class 'C-H' Accumulation	106,885.153	11.9869	10.8512	11.4850	1.05
Class 'CI' Accumulation	2,041,988.537	14.6725	12.9368	12.8738	0.99
Class 'CI-H' Accumulation	18,081.742	11.0546	10.0126	10.5872	1.00
Class 'J' Accumulation	1,025.684	13.9244	12.2698	12.2029	0.93
Class 'LI' Accumulation	179,244.132	10.4543	n/a	n/a	0.57
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A' Accumulation	847.059	14.5889	12.8946	13.4728	2.02
Class 'A' Distribution	884.252	11.5740	10.6030	11.5416	2.04
Class 'C' Accumulation	817.762	15.9885	13.9961	14.4782	1.04
Class 'C' Distribution	867.536	12.4945	11.3301	12.2073	1.03
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	74,525.207	10.8295	10.1231	10.8754	2.04
Class 'C-H' Accumulation	128,078.993	11.6637	10.7847	11.4655	1.04
Class 'CI-H' Accumulation	4,600.000	11.8448	10.9561	11.6476	1.01

# Financial highlights

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	303,120.137	30.9084	27.7538	28.4851	2.02
Class 'A' Distribution	5,727.645	24.4256	22.7306	24.3078	2.03
Class 'C' Accumulation	243,972.993	35.9543	31.9665	32.4813	1.03
Class 'C' Distribution	1,434.836	27.7081	25.5253	27.0147	1.03
Class 'CI' Accumulation	442,708.000	13.8702	12.3266	12.5203	0.98
Class 'J' Accumulation	67,545.912	12.5538	11.1500	11.3180	0.93
Class 'LI' Accumulation	4,600.000	10.4405	n/a	n/a	0.54

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	129,401	116,781	126,962
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>129,401</b>	<b>116,781</b>	<b>126,962</b>



# Investment review

## For the period from 1 April 2023 until 27 July 2023

The sub-fund was closed on 27 July 2023 following investor notification.

### Fund positioning

The M&G (Lux) Global Enhanced Equity Premia Fund is an active equity sub-fund, using a dynamic multi-factor investing approach. Factor investing is based on the premise that a significant portion of returns over time can be explained by the excess return generated by stocks that reflect certain characteristics, or risk factors.

Based on analysis of simulated past returns, stocks with exposure to these risk factors (attractive valuation, high quality, positive momentum, low volatility and small company size) have historically tended to deliver superior risk-adjusted returns.

From the start of the review period to the sub-fund's closure, the sub-fund maintained an elevated exposure to the value and momentum factors (ie, above the 'typical' 20% weighting). The above-average exposure to cheap value provided a modest tailwind to the strategy, while positive exposures to high quality and low volatility detracted.

### Performance review

Stockmarkets recorded a positive return over the period up until the sub-fund's closure, benefiting from improving investor risk appetite, despite concerns that higher global interest rates (which have been raised to tame inflation) might tip some economies into recession. However, economic activity and labour markets, in particular, proved resilient during the review period.

Against this background, the sub-fund delivered a positive total return (the combination of capital growth and income) across all its share classes in all currencies between the start of the review period until 27 July 2023 when the sub-fund closed, but was behind its benchmark the MSCI ACWI Net Return Index.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

There was minimal variation in performance of the underlying factors during the review period. Value marginally outperformed, while there was some modest underperformance in the low volatility and high-quality factors. The high momentum and small size factors performed in line with the market over the period.

### Gautam Samarth

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class up to close date 27 July 2023

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation <sup>a</sup>	+4.8	+6.8	n/a	+7.3	10.12.19
Class 'A' Distribution <sup>a</sup>	+4.9	+6.8	n/a	+7.3	10.12.19
Class 'C' Accumulation <sup>a</sup>	+4.9	+7.0	n/a	+7.6	10.12.19
Class 'C' Distribution <sup>a</sup>	+5.0	+7.0	n/a	+7.6	10.12.19
Class 'CI' Accumulation <sup>a</sup>	+4.9	+7.1	n/a	+7.6	10.12.19
Class 'CI' Distribution <sup>a</sup>	+5.0	+7.1	n/a	+7.6	10.12.19
Class 'ZI' Accumulation <sup>a</sup>	+5.0	+7.2	n/a	+7.8	10.12.19
<b>Singapore dollar</b>					
Class 'A' Accumulation <sup>a</sup>	+6.9	+3.7	n/a	+6.7	10.12.19
Class 'A' Distribution <sup>a</sup>	+6.9	+3.7	n/a	+6.7	10.12.19
Class 'C' Accumulation <sup>a</sup>	+6.9	+3.9	n/a	+6.9	10.12.19
Class 'C' Distribution <sup>a</sup>	+6.9	+3.9	n/a	+6.9	10.12.19
<b>Swiss franc</b>					
Class 'A' Accumulation <sup>a</sup>	+0.3	+0.2	n/a	+3.4	10.12.19
Class 'A' Distribution <sup>a</sup>	+0.4	+0.2	n/a	+3.4	10.12.19
Class 'C' Accumulation <sup>a</sup>	+0.4	+0.4	n/a	+3.7	10.12.19
Class 'C' Distribution <sup>a</sup>	+0.4	+0.4	n/a	+3.7	10.12.19
<b>US dollar</b>					
Class 'A' Accumulation <sup>a</sup>	+7.4	+4.4	n/a	+7.5	10.12.19
Class 'A' Distribution <sup>a</sup>	+7.4	+4.4	n/a	+7.5	10.12.19
Class 'C' Accumulation <sup>a</sup>	+7.5	+4.7	n/a	+7.7	10.12.19
Class 'C' Distribution <sup>a</sup>	+7.5	+4.7	n/a	+7.7	10.12.19
Class 'CI' Accumulation <sup>a</sup>	+7.5	+4.7	n/a	+7.8	10.12.19
Class 'ZI' Accumulation <sup>a</sup>	+7.6	+4.8	n/a	+7.9	10.12.19

<sup>a</sup> Returns are up to 27 July 2023 the close date of the share class.

# Financial highlights

## Shares in issue and Net Asset Values (NAV)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024 and Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024.

### Shares in issue and Net Asset Values

	Shares outstanding as at 31.03.24	as at 27.07.23 <sup>a</sup>	NAV per share as at 31.03.23	as at 31.03.22
<b>Euro</b>		€	€	€
Class 'A' Accumulation	n/a	12.9262	12.3300	12.8957
Class 'A' Distribution	n/a	11.9933	11.7137	12.5846
Class 'C' Accumulation	n/a	13.0437	12.4319	12.9698
Class 'C' Distribution	n/a	12.1038	11.8118	12.6579
Class 'CI' Accumulation	n/a	13.0627	12.4486	12.9826
Class 'CI' Distribution	n/a	12.1213	11.8277	12.6700
Class 'ZI' Accumulation	n/a	13.1343	12.5108	13.0279
<b>Singapore dollar</b>		SG\$	SG\$	SG\$
Class 'A' Accumulation	n/a	12.6429	11.8311	12.8575
Class 'A' Distribution	n/a	11.7304	11.2402	12.5462
Class 'C' Accumulation	n/a	12.7589	11.9298	12.9323
Class 'C' Distribution	n/a	11.8391	11.3349	12.6197
<b>Swiss franc</b>		CHF	CHF	CHF
Class 'A' Accumulation	n/a	11.2887	11.2560	12.1109
Class 'A' Distribution	n/a	10.4744	10.6941	11.8192
Class 'C' Accumulation	n/a	11.3921	11.3498	12.1811
Class 'C' Distribution	n/a	10.5712	10.7837	11.8878
<b>US dollar</b>		US\$	US\$	US\$
Class 'A' Accumulation	n/a	12.9893	12.0942	12.9105
Class 'A' Distribution	n/a	12.0516	11.4896	12.5990
Class 'C' Accumulation	n/a	13.1076	12.1944	12.9849
Class 'C' Distribution	n/a	12.1631	11.5862	12.6723
Class 'CI' Accumulation	n/a	13.1245	12.2088	12.9960
Class 'ZI' Accumulation	n/a	13.1963	12.2697	13.0413

<sup>a</sup> Liquidation date of the sub-fund.

## Financial highlights

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	n/a	3,847	4,121
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>n/a</b>	<b>3,847</b>	<b>4,121</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The sub-fund delivered a positive return during the review period. High-yield bonds outperformed government and investment grade, reflecting their lower sensitivity to interest rates. Central banks raised rates at the start of the period, extending a run of hikes, to fight inflation. They then held rates at elevated levels as prices cooled. Optimism about the pace of cuts faded toward the end of the period.

These macroeconomic conditions favoured floating rate notes (FRNs) as variable coupon payments offer protection against higher interest rates. Similarly, they are beneficial when there is uncertainty about how quickly rates will fall.

The sub-fund underperformed its benchmark during the review period, which returned which returned 12.27% in euros and 14.29% in US dollars. Security selection, driven by the sub-fund's defensive stance, weighed on performance. Yield curve positioning and asset allocation were beneficial.

At the sector level, avoiding banking was detrimental to relative performance, along with below benchmark positions (underweights) and security picks in financial services and transportation. Our use of high yield credit default swap indices was a boost, as were above benchmark positions (overweights) and selections in services and automotives.

SGL Group was the biggest detractor among securities. The logistics company posted a decline in full-year revenue due to lower rates and volumes. Not holding Loarre Investments, which is tied to Spanish soccer's La Liga, was also detrimental, along with an underweight position in PrestigeBidco, the parent of online fashion retailer BestSecret. Overweights in vending machine operator Selecta and German retailer HSE boosted relative performance.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

New deals that we participated in during the year included offerings by UK hotel operator Travelodge (TVL finance), chemicals maker Monitchem, and pharmaceutical companies Bormioli and Cheplapharm. We also bought into sales by software provider Cedacri, building systems installer Assemblin and UK food retailer Iceland.

A new-issue from packaging business Guala also joined the portfolio, along with notes sold by construction machinery business Kapla, telecoms provider United Group and jewellery retailer Goldstory. We also bought bonds issued by coffee-machine maker Evoca, cardboard packaging maker Reno De Medici and transport business SGL Group. Across the year, we took part in two sales by lottery operator Lottomatica and two by gaming company Cirsa.

Early in the year, we reduced exposure to debt collectors via sales in the secondary market. We later took advantage of market strength to trim holdings in online education provider Multiversity (Paganini BidCo), Evoca, UK pub chain Stonegate, Selecta and German wood products maker Pfleiderer. We pared debt collector Garfunkelux on refinancing concerns.

### Outlook

The focus in the year ahead will likely be on when central banks begin to reduce interest rates and how quickly. Expectations for rate cuts in the US have receded because of strong economic growth and slower-than-expected declines in inflation. A slower pace of rate cuts and inverted yield curves will support floating rate notes (FRNs) which will continue providing variable coupon payments.

In high-yield, all-in yields are attractive, even with tight spreads. Strong returns are possible in an environment of moderate rate cuts, contained spreads and mild defaults. Technicals are supportive with money coming into the market and light issuance. Fundamentals are also holding up, with higher quality names able to refinance. Future rate cuts could help struggling sectors, such as real estate.

## Investment review

Economic and issuer-specific risks remain, which bolsters the case for active management. We maintain a cautious stance, shunning distressed names and favouring issuers that are non-cyclical and less leveraged. We also avoid debt collectors, real estate and homebuilders on concerns about fundamentals and still-high borrowing costs.

### James Tomlins, Lu Yu and Stefan Isaacs

Co-sub-fund managers

On 5 February 2024 Lu Yu and Stefan Isaacs were appointed co-sub-fund managers.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>1,852,509</b>	<b>86.50</b>
<b>Debt securities</b>					<b>1,837,032</b>	<b>85.78</b>
<b>'AA' credit rated bonds</b>					<b>185,049</b>	<b>8.64</b>
US Treasury Note FRN	30,000,000	US\$	31.07.2024		29,999	1.40
US Treasury Note FRN	85,000,000	US\$	31.10.2024		85,034	3.97
US Treasury Note FRN	70,000,000	US\$	31.10.2025		70,016	3.27
<b>'BBB' credit rated bonds</b>						
Ford Motor Credit FRN	26,473,000	€	01.12.2024		<b>28,639</b>	<b>1.34</b>
<b>'BB' credit rated bonds</b>					<b>238,994</b>	<b>11.16</b>
Allwyn Entertainment Financing FRN	35,873,000	€	15.02.2028		39,087	1.82
Arena Luxembourg Finance FRN	7,894,000	€	01.02.2027		8,472	0.40
Encore Capital Group FRN	11,685,000	€	15.01.2028		12,601	0.59
Encore Capital Group 4.25%	7,884,000	£	01.06.2028		8,468	0.40
Energy Transfer FRN	32,963,000	US\$	01.11.2066		29,886	1.40
Loarre Investments FRN	862,000	€	15.05.2029		935	0.04
Lottomatica FRN	23,264,000	€	01.06.2028		25,384	1.18
Lottomatica FRN	17,733,000	€	15.12.2030		19,424	0.91
Q-Park Holding I FRN	31,404,000	€	01.03.2026		34,017	1.59
SCIL IV Via SCIL USA Holdings FRN	16,867,000	€	01.11.2026		18,271	0.85
Sisal Pay FRN	39,229,000	€	17.12.2026		42,449	1.98
<b>'B' credit rated bonds</b>					<b>1,377,426</b>	<b>64.32</b>
888 Acquisitions FRN	37,743,000	€	15.07.2028		39,921	1.86
APCOA Parking Holdings FRN	24,409,000	€	15.01.2027		26,498	1.24
APCOA Parking Holdings 4.625%	1,722,000	€	15.01.2027		1,824	0.09
Assemblin Group FRN	15,905,000	€	05.07.2029		17,378	0.81
Bach Bidco FRN	28,655,000	€	15.10.2028		31,063	1.45
Bormioli Pharma FRN	6,805,000	€	15.05.2028		7,411	0.35
Brunello Bidco FRN	65,533,000	€	15.02.2028		70,965	3.31
Burger King France FRN	26,649,000	€	01.11.2026		29,009	1.35
Castle UK Finco FRN	31,148,000	€	15.05.2028		33,465	1.56
Castor FRN	55,603,000	€	15.02.2029		57,982	2.71
Cedacri Mergeco FRN	63,463,000	€	15.05.2028		68,810	3.21
Cheplapharm Arzneimittel FRN	20,241,000	€	15.05.2030		22,199	1.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Cirsa Finance International FRN	33,158,000	€	31.07.2028		36,509	1.70
Cullinan Holdco FRN	15,099,000	€	15.10.2026		15,625	0.73
Deuce FinCo FRN	28,675,000	€	15.06.2027		31,148	1.45
Deutsche Lufthansa 5.125%	27,299,000	€	12.08.2075		29,039	1.36
EVOCA FRN	44,830,000	€	01.11.2026		48,387	2.26
Fiber Bidco FRN	7,366,000	€	15.01.2030		8,001	0.37
Galaxy Bidco FRN	7,062,000	€	31.07.2026		7,675	0.36
Garfunkelux HoldCo 3 FRN	33,977,000	€	01.05.2026		26,114	1.22
Golden Goose FRN	34,470,000	€	14.05.2027		37,488	1.75
Goldstory FRN	8,600,000	€	01.02.2030		9,383	0.44
Guala Closures FRN	34,034,000	€	29.06.2029		37,041	1.73
HSE Finance FRN	19,700,000	€	15.10.2026		15,088	0.70
Iceland Bondco FRN	18,000,000	€	15.12.2027		19,602	0.92
Iceland Bondco 4.375%	1,723,000	£	15.05.2028		1,849	0.09
Industria Macchine Automatiche 3.75%	2,583,000	€	15.01.2028		2,641	0.12
International Design Group FRN	21,553,000	€	15.05.2026		23,310	1.09
IPD 3 FRN	23,473,000	€	15.06.2028		25,636	1.20
Iqera Group FRN	8,327,000	€	15.02.2027		7,566	0.36
Italmatch Chemicals FRN	33,764,000	€	06.02.2028		36,636	1.71
Kapla Holding FRN	42,611,000	€	31.07.2030		46,098	2.15
Kepler FRN	6,900,000	€	15.05.2029		7,534	0.35
Leather 2 FRN	30,774,000	€	30.09.2028		33,188	1.55
LionViaPolaris Lux 4 FRN	51,826,000	€	01.07.2026		56,206	2.62
Monitchem HoldCo 3 FRN	12,222,000	€	01.05.2028		13,348	0.62
Multiversity FRN	60,957,000	€	30.10.2028		66,091	3.09
Novafives FRN	17,512,000	€	15.06.2025		18,781	0.88
PCF FRN	23,777,000	€	15.04.2026		20,232	0.94
Picard Groupe 3.875%	1,722,000	€	01.07.2026		1,825	0.09
PLT VII Finance FRN	21,366,000	€	05.01.2026		23,180	1.08
PrestigeBid FRN	3,522,000	€	15.07.2027		3,866	0.18

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Rimini Bidco FRN	30,410,000	€	14.12.2026		33,042	1.54
Rossini FRN	21,904,000	€	30.10.2025		23,696	1.11
SGL Group FRN	10,400,000	€	22.04.2030		11,174	0.52
Sherwood Financing FRN	29,956,000	€	15.11.2027		31,341	1.46
Sherwood Financing 6%	3,945,000	£	15.11.2026		4,450	0.21
Skill Bidco FRN	4,228,000	€	02.03.2028		4,766	0.22
Sofima Holding FRN	24,610,000	€	15.01.2028		26,664	1.25
Stonegate Pub Financing FRN	19,965,000	€	31.07.2025		20,918	0.98
Transcom Holding FRN	28,579,000	€	15.12.2026		30,843	1.44
Trivium Packaging Finance FRN	20,660,000	€	15.08.2026		22,297	1.04
TVL Finance FRN	23,718,000	€	28.04.2028		25,860	1.21
United Group FRN	24,726,000	€	15.02.2031		26,763	1.25
<b>'CCC' credit rated bonds</b>					<b>6,410</b>	<b>0.30</b>
House of Fraser Funding 1%	14,382,000	£	30.12.2050		47	0.00
Oriflame Investment Holding FRN	6,594,000	€	04.05.2026		1,969	0.09
Selecta Group 8%	4,158,277	€	01.04.2026		4,394	0.21
<b>'D' credit rated bonds</b>						
Yuzhou Group Holdings 6.35% <sup>a</sup>	9,176,000	US\$	13.01.2027		514	0.02
<b>Debt derivatives</b>					<b>15,477</b>	<b>0.72</b>
<b>Credit default swaps</b>					<b>15,477</b>	<b>0.72</b>
Markit CDX North American High Yield Series 37 5 Year Dec 2026	124,160,000	US\$		124,160	9,657	0.45
Markit CDX North American High Yield Series 39 5 Year Dec 2027	82,320,000	US\$		82,320	5,820	0.27
<b>Currency</b>					<b>7,153</b>	<b>0.33</b>
<b>Forward currency contracts</b>					<b>7,153</b>	<b>0.33</b>
Bought for € 31,157,125.46, Sold for US\$ 33,863,118.69			24.04.2024	33,601	(233)	(0.01)
Bought for US\$ 1,645,142,752.03, Sold for € 1,517,350,996.00			24.04.2024	1,636,386	7,376	0.34
Bought for US\$ 15,069,219.83, Sold for £ 11,938,654.71			24.04.2024	15,058	10	0.00
<b>Portfolio of investments</b>					<b>1,859,662</b>	<b>86.83</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Cash equivalents</b>					<b>212,414</b>	<b>9.92</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	212,413,987	US\$			<b>212,414</b>	<b>9.92</b>
<b>Share class hedging</b>					<b>(7,256)</b>	<b>(0.34)</b>
Bought for AU\$ 3,534,730.10, Sold for US\$ 2,310,759.29			24.04.2024	2,293	(14)	0.00
Bought for CHF 56,077,274.33, Sold for US\$ 62,661,509.33			24.04.2024	61,916	(604)	(0.03)
Bought for € 1,337,198,570.68, Sold for US\$ 1,449,975,827.06			24.04.2024	1,442,104	(6,656)	(0.31)
Bought for £ 5,976,089.86, Sold for US\$ 7,554,225.79			24.04.2024	7,538	(17)	0.00
Bought for HK\$ 6,356,112.39, Sold for US\$ 813,171.27			24.04.2024	812	0	0.00
Bought for SG\$ 8,326,164.65, Sold for US\$ 6,196,906.49			24.04.2024	6,162	(28)	0.00
Bought for US\$ 8,466.47, Sold for AU\$ 12,951.63			24.04.2024	8	0	0.00
Bought for US\$ 1,632,715.13, Sold for CHF 1,461,734.84			24.04.2024	1,613	15	0.00
Bought for US\$ 9,273,801.70, Sold for € 8,553,087.34			24.04.2024	9,224	41	0.00
Bought for US\$ 29,678.34, Sold for £ 23,479.14			24.04.2024	29	0	0.00
Bought for US\$ 599.75, Sold for HK\$ 4,687.98			24.04.2024	1	0	0.00
Bought for US\$ 1,635,138.16, Sold for SG\$ 2,197,502.92			24.04.2024	1,626	7	0.00
<b>Total portfolio</b>					<b>2,064,820</b>	<b>96.41</b>
Net other assets/(liabilities)					76,896	3.59
<b>Net assets</b>					<b>2,141,716</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Debt securities	1,837,032	85.78
Swap contracts	15,477	0.72
Unrealised gains on forward currency contracts	7,449	0.34
<b>Total Investment assets</b>	<b>1,859,958</b>	<b>86.84</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(7,552)	(0.35)
<b>Total Investment liabilities</b>	<b>(7,552)</b>	<b>(0.35)</b>
<b>Total portfolio</b>	<b>1,852,406</b>	<b>86.49</b>
<b>Cash equivalents</b>	<b>212,414</b>	<b>9.92</b>
<b>Net other assets/(liabilities)</b>	<b>76,896</b>	<b>3.59</b>
<b>Net assets</b>	<b>2,141,716</b>	<b>100.00</b>

<sup>a</sup> Defaulted bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as cash US\$'000	Collateral held as security US\$'000
Barclays Bank London	6,675	0	31,285	0
Merrill Lynch Pierce Fenner + Smith Inc	0	781	0	0
Standard Chartered Bank	0	10	0	0
State Street Bank and Trust Company	0	64	0	766
State Street Bank and Trust Company, London Branch	0	6,595	0	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Australian dollar</b>						
Class 'A-H' Accumulation	+10.5	+5.0	n/a	+3.6	n/a	08.04.19
Class 'A-H M' Distribution	+10.5	+4.9	n/a	+3.6	n/a	08.04.19
Class 'A-H M F1' Distribution	n/a	n/a	n/a	+0.3 <sup>b</sup>	n/a	06.03.24
Class 'C-H' Accumulation	+11.2	+5.6	n/a	+4.2	n/a	08.04.19
Class 'C-H M' Distribution	+11.2	+5.6	n/a	+4.2	n/a	08.04.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A-H' Accumulation	+10.0	+4.1	+3.0	+2.3	11.09.14	21.09.18
Class 'A-H' Distribution	+10.0	+4.1	+3.1	+2.3	11.09.14	21.09.18
Class 'B-H' Accumulation	+9.4	+3.6	+2.5	+2.0	11.09.15	21.09.18
Class 'B-H' Distribution	+9.4	+3.6	+2.5	+2.0	11.09.15	21.09.18
Class 'C-H' Accumulation	+10.6	+4.7	+3.7	+2.9	11.09.14	21.09.18
Class 'C-H' Distribution	+10.7	+4.7	+3.7	+2.9	11.09.14	21.09.18
Class 'CI-H' Accumulation	+10.7	+4.8	+3.7	+2.9	11.09.14	21.09.18
Class 'J-H' Accumulation	+10.7	+4.8	n/a	+8.5	n/a	16.04.20
Class 'J-H' Distribution	+10.8	+4.8	n/a	+8.5	n/a	16.04.20
Class 'JI-H' Accumulation	+10.7	+4.9	n/a	+8.6	n/a	16.04.20
Class 'JI-H' Distribution	+10.8	+4.9	n/a	+8.6	n/a	16.04.20
<b>Hong Kong dollar</b>						
Class 'A-H' Accumulation	+10.9	+5.3	n/a	+4.6	n/a	08.04.19
Class 'A-H M' Distribution	+10.9	+5.2	n/a	+4.5	n/a	08.04.19
Class 'A-H M F1' Distribution	n/a	n/a	n/a	+0.3 <sup>b</sup>	n/a	06.03.24
Class 'C-H' Accumulation	+11.6	+5.9	n/a	+5.2	n/a	08.04.19
Class 'C-H M' Distribution	+11.6	+5.9	n/a	+5.2	n/a	08.04.19
<b>Singapore dollar</b>						
Class 'A-H' Distribution	+10.2	+5.3	+4.3	+4.0	16.01.15	21.09.18
Class 'A-H M' Distribution	+10.2	+5.2	+4.3	+4.1	09.10.15	21.09.18
Class 'A-H M F1' Distribution	n/a	n/a	n/a	+0.3 <sup>b</sup>	n/a	06.03.24
Class 'C-H M' Distribution	+10.8	+5.9	+4.9	+4.8	09.10.15	21.09.18
Class 'C-H M F1' Distribution	n/a	n/a	n/a	+0.3 <sup>b</sup>	n/a	06.03.24
Class 'J-H M F1' Distribution	n/a	n/a	n/a	+0.3 <sup>b</sup>	n/a	06.03.24
<b>Sterling</b>						
Class 'A-H' Accumulation	+11.4	+5.4	n/a	+4.0	n/a	05.07.19
Class 'A-H' Distribution	+11.4	+5.4	n/a	+4.0	n/a	05.07.19
Class 'C-H' Accumulation	+12.0	n/a	n/a	+5.9	n/a	26.04.21
Class 'C-H' Distribution	+12.1	+6.0	+4.6	+4.7	n/a	22.02.19
Class 'CI-H' Distribution	+12.1	+6.0	+4.7	+4.6	n/a	14.03.19
Class 'J-H' Distribution	+12.2	+6.1	n/a	+6.2	n/a	16.03.21
Class 'JI-H' Distribution	+12.2	n/a	n/a	+6.1	n/a	25.05.21

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+7.6	+3.0	+2.3	+1.7	11.09.14	21.09.18
Class 'A-H' Distribution	+7.7	+3.0	+2.3	+2.3	14.12.15	21.09.18
Class 'C-H' Accumulation	+8.2	+3.6	+2.9	+2.3	11.09.14	21.09.18
Class 'C-H' Distribution	+8.3	+3.6	+2.9	+2.9	14.12.15	21.09.18
Class 'CI-H' Accumulation	+8.2	+3.5	+2.9	+2.3	11.09.14	21.09.18
Class 'J-H' Accumulation	+8.3	+3.7	n/a	+7.6	n/a	16.04.20
Class 'J-H' Distribution	+8.4	+3.7	n/a	+7.6	n/a	16.04.20
Class 'JI-H' Accumulation	+8.3	+3.8	n/a	+7.7	n/a	16.04.20
Class 'JI-H' Distribution	+8.5	+3.8	n/a	+7.7	n/a	16.04.20
<b>US dollar</b>						
Class 'A' Accumulation	+11.9	+6.0	+5.0	+4.1	11.09.14	21.09.18
Class 'A' Distribution	+11.9	+6.0	+5.0	+4.1	11.09.14	21.09.18
Class 'A M' Distribution	+11.9	+6.0	+5.0	+4.7	09.10.15	21.09.18
Class 'A M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'C' Accumulation	+12.6	+6.6	+5.7	+4.8	11.09.14	21.09.18
Class 'C' Distribution	+12.6	+6.6	+5.7	+4.8	11.09.14	21.09.18
Class 'C M' Distribution	+12.6	+6.6	+5.7	+5.3	09.10.15	21.09.18
Class 'C M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'CI' Accumulation	+12.6	+6.6	+5.7	+4.8	11.09.14	21.09.18
Class 'J' Accumulation	+12.7	+6.7	n/a	+10.3	n/a	16.04.20
Class 'J' Distribution	+12.7	+6.7	n/a	+10.3	n/a	16.04.20
Class 'J M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'JI' Accumulation	+12.8	+6.8	n/a	+10.4	n/a	16.04.20
Class 'JI' Distribution	+12.8	+6.8	n/a	+10.4	n/a	16.04.20

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 13 September 2018 is that of the relevant Merged Share Class of the M&G Global Floating Rate High Yield Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Floating Rate High Yield Fund is a UK authorised sub-fund which launched on 11 September 2014 and its non-Sterling share classes merged into M&G (Lux) Global Floating Rate High Yield Fund on 7 December 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Australian dollar</b>		<b>AU\$</b>	<b>AU\$</b>	<b>AU\$</b>	
Class 'A-H' Accumulation	4,464.000	11.9284	10.7909	10.4956	1.21
Class 'A-H M' Distribution	370,418.814	9.0250	8.8798	9.1301	1.22
Class 'A-H M F1' Distribution	200.000	100.3047	n/a	n/a	1.46
Class 'C-H' Accumulation	4,466.000	12.2984	11.0634	10.6840	0.61
Class 'C-H M' Distribution	4,467.000	9.3089	9.1015	9.3036	0.61
<b>Euro</b>		<b>€</b>	<b>€</b>	<b>€</b>	
Class 'A-H' Accumulation	47,401,055.949	11.5377	10.4910	10.3448	1.22
Class 'A-H' Distribution	15,876,551.376	8.5662	8.4535	8.7678	1.22
Class 'B-H' Accumulation	5,694,072.265	11.2307	10.2628	10.1703	1.72
Class 'B-H' Distribution	3,157,617.933	8.3262	8.2602	8.6113	1.72
Class 'C-H' Accumulation	20,772,930.891	11.9331	10.7893	10.5712	0.62
Class 'C-H' Distribution	1,476,739.380	8.8511	8.6812	8.9529	0.62
Class 'CI-H' Accumulation	10,681,272.656	11.9687	10.8139	10.5928	0.58
Class 'J-H' Accumulation	1,188,245.749	13.8403	12.4999	12.2409	0.51
Class 'J-H' Distribution	446,589.873	11.0275	10.8082	11.1343	0.52
Class 'JI-H' Accumulation	11,346,625.790	13.8691	12.5234	12.2560	0.48
Class 'JI-H' Distribution	4,615.000	11.0464	10.8201	11.1420	0.48
<b>Hong Kong dollar</b>		<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	
Class 'A-H' Accumulation	2,479.200	124.9165	112.5935	109.0515	1.21
Class 'A-H M' Distribution	56,299.397	94.2763	92.3794	94.9169	1.21
Class 'A-H M F1' Distribution	200.000	1,003.1998	n/a	n/a	1.44
Class 'C-H' Accumulation	2,479.400	128.6843	115.3025	111.0058	0.61
Class 'C-H M' Distribution	2,479.500	97.4749	94.9361	96.6472	0.61



# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Singapore dollar</b>		<b>SG\$</b>	<b>SG\$</b>	<b>SG\$</b>	
Class 'A-H' Distribution	126,738.039	9.2227	9.0795	9.2163	1.22
Class 'A-H M' Distribution	529,772.059	9.1313	9.0031	9.1880	1.21
Class 'A-H M F1' Distribution	200.000	100.2857	n/a	n/a	1.44
Class 'C-H M' Distribution	7,096.868	9.4313	9.2464	9.3791	0.61
Class 'C-H M F1' Distribution	200.100	100.3233	n/a	n/a	0.83
Class 'J-H M F1' Distribution	200.200	100.3289	n/a	n/a	0.73
<b>Sterling</b>		<b>£</b>	<b>£</b>	<b>£</b>	
Class 'A-H' Accumulation	2,617.773	12.0168	10.7834	10.4552	1.20
Class 'A-H' Distribution	65,348.824	9.3357	9.0910	9.2855	1.22
Class 'C-H' Accumulation	18,312.602	11.8145	10.5462	10.1850	0.62
Class 'C-H' Distribution	141,089.849	9.6919	9.3827	9.5279	0.62
Class 'CI-H' Distribution	28,648.492	9.5651	9.2573	9.3969	0.57
Class 'J-H' Distribution	339,454.996	10.1526	9.8182	9.9637	0.51
Class 'JI-H' Distribution	4,600.000	10.1067	9.7712	9.9220	0.48
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A-H' Accumulation	870,660.043	11.1286	10.3436	10.2656	1.21
Class 'A-H' Distribution	442,701.020	8.2421	8.3179	8.6963	1.21
Class 'C-H' Accumulation	609,964.893	11.4981	10.6256	10.4826	0.61
Class 'C-H' Distribution	470,548.116	8.5136	8.5420	8.8802	0.62
Class 'CI-H' Accumulation	4,600.000	11.4630	10.5904	10.4511	0.58
Class 'J-H' Accumulation	1,535,208.489	13.4062	12.3780	12.2012	0.52
Class 'J-H' Distribution	596,483.411	10.6608	10.6869	11.0984	0.52
Class 'JI-H' Accumulation	272,150.000	13.4278	12.3979	12.2109	0.48
Class 'JI-H' Distribution	4,605.000	10.6761	10.6969	11.1043	0.48

# Financial highlights

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>US dollar</b>	<b>US\$</b>		<b>US\$</b>		
Class 'A' Accumulation	12,805,031.022	12.9165	11.5391	11.0744	1.20
Class 'A' Distribution	5,240,420.780	9.5893	9.2929	9.3853	1.20
Class 'A M' Distribution	5,224,448.348	9.4951	9.2196	9.3574	1.20
Class 'A M F1' Distribution	100.000	100.3783	n/a	n/a	1.43
Class 'C' Accumulation	6,059,110.827	13.3544	11.8586	11.3133	0.59
Class 'C' Distribution	2,957,354.029	9.9154	9.5513	9.5879	0.60
Class 'C M' Distribution	810,052.869	9.8172	9.4755	9.5595	0.60
Class 'C M F1' Distribution	100.100	100.4139	n/a	n/a	0.85
Class 'CI' Accumulation	7,628,799.854	13.3824	11.8801	11.3295	0.56
Class 'J' Accumulation	1,926,908.954	14.7744	13.1073	12.4921	0.50
Class 'J' Distribution	943,097.840	11.7778	11.3334	11.3657	0.50
Class 'J M F1' Distribution	100.200	100.4202	n/a	n/a	0.74
Class 'JI' Accumulation	2,691,510.794	14.8000	13.1253	12.5046	0.46
Class 'JI' Distribution	4,649,351.891	11.7977	11.3483	11.3763	0.46

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

<b>NAV at sub-fund level</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Net assets	2,141,716	1,913,903	2,684,116
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>2,141,716</b>	<b>1,913,903</b>	<b>2,684,116</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global bonds generally delivered solid returns in the period under review, as inflation moderated and major central banks reached the end of their tightening cycle. Sentiment improved significantly amidst a broad market rally at the end of 2023. Indications of a dovish pivot in monetary policy (interest rate cuts) from the US Federal Reserve sparked a powerful two-month rally in core government bonds, benefiting all segments of the fixed income market.

Despite some weakness in core government bonds during the first quarter of 2024, high yield (HY) bonds continued on their positive trajectory, helped by strong technical elements. Global HY bonds outperformed investment grade corporate bonds and sovereign bonds during the period under review.

Against this backdrop, the sub-fund delivered a positive return, but underperformed its benchmark, the ICE BofAML Global High Yield Index USD Hedged, which returned 9.36% in euros and 11.60% in US dollars.

The sub-fund's performance was hampered by its credit positioning. Both sector allocation and security selection detracted from relative performance. Our marginal underweight in banking and above-benchmark exposure to media and leisure contributed positively to performance, as did favourable security selection in these sectors.

Conversely, our picks in retail, utilities and financial services weighed on relative performance. Being underweight in the last two sectors also proved unhelpful.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

There was an active flow of new issues from a range of sectors, especially during the second half of the review period. HY corporate issuers took advantage of easing financial conditions to refinance existing debt. We

participated in a number of deals including from energy firms Matador Resources, Apache and Talos from the US. Other deals included American Airlines, and oil and gas firm Permian Resources.

Our deals in Europe included Italian architecture firm International Design Group, chemical firms Montichem and Calderys, Novo Banco and Intesa Sanpaolo (financials), Norwegian oil and gas company Var Energi and French telecommunications firm Iliad. In the UK, we bought new bonds from Travelodge, Aston Martin, Pinewood Media and Heathrow.

In the secondary market, we trimmed some US cyclical exposure, and instead added higher-quality names such as Darling, Charter and Ford. We also trimmed distressed telecommunications firm Altice in late 2023, which had reported mixed results.

We exited a number of names including United Airlines, Rolls Royce and Macy's. At the end of the period, we closed our positions in selected below-benchmark holdings including Sweden's SBB.

We increased our holdings in a number of industries including healthcare, partly financed by reducing our position in Ford, which has been fully upgraded back to investment grade.

### Outlook

High yield corporate issuers' fundamentals have, so far, held up reasonably well. This is largely thanks to buoyant consumption and pre-emptive corporate refinancings that have enabled issuers to lengthen their maturity profile at attractive rates.

Nevertheless, as developed economies slow and the impact of higher interest rates starts biting into corporate balance sheets, we would expect to see an uptick in default rates. Our base case scenario remains that of a mild default cycle, which would not be too damaging for the corporate sector.

As HY markets continue to see inflows and issuances remain light as compared to previous years, technical elements (supply/demand imbalances and attractive all-in yields) continue to contain credit spreads. Against a backdrop of moderate interest rate cuts, contained

# Investment review

spreads and a mild default environment, the asset class could still deliver good returns over the next 12 months, in our view.

## Stefan Isaacs and Luke Coha

Co-sub-fund managers

At the start of the review period James Tomlins was co-sub-fund manager. He was replaced on 15 January 2024 by Luke Coha.

Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>1</b>	<b>0.00</b>
<b>Equities</b>					<b>1</b>	<b>0.00</b>
K2016470219 South Africa <sup>a</sup>	417,745	ZAR			0	0.00
New World Resources 'A' <sup>a</sup>	5,046,536	£			0	0.00
Codere <sup>a</sup>	78,462	€			0	0.00
ADLER Group	4,300	€			1	0.00
ADLER Group <sup>a</sup>	1,942	€			0	0.00
<b>Warrants</b>					<b>0</b>	<b>0.00</b>
Chaparral Energy 'A' (Warrant) <sup>a</sup>	19	US\$	01.10.2024		0	0.00
Chaparral Energy 'A' (Warrant) <sup>a</sup>	19	US\$	01.10.2025		0	0.00
<b>Fixed income</b>					<b>54,056</b>	<b>94.99</b>
<b>Debt securities</b>					<b>54,080</b>	<b>95.03</b>
<b>'A' credit rated bonds</b>						
TotalEnergies FRN	107,000	€	29.12.2049		<b>113</b>	<b>0.20</b>
<b>'BBB' credit rated bonds</b>					<b>6,079</b>	<b>10.68</b>
ABN AMRO Bank FRN	200,000	€	31.12.2099		203	0.36
Berry Global 4.875%	186,000	US\$	15.07.2026		182	0.32
Celanese US Holdings 6.165%	148,000	US\$	15.07.2027		151	0.26
Cellnex Finance 2%	200,000	€	15.02.2033		187	0.33
Cheniere Energy Partners 3.25%	66,000	US\$	31.01.2032		56	0.10
Cheniere Energy Partners 4.5%	130,000	US\$	01.10.2029		124	0.22
Continental Resources 5.75%	352,000	US\$	15.01.2031		350	0.61
DCP Midstream Operating 3.25%	222,000	US\$	15.02.2032		191	0.33
DCP Midstream Operating 5.6%	74,000	US\$	01.04.2044		72	0.13
Deutsche Bank FRN	200,000	€	17.02.2032		181	0.32
Drax Finco 2.625%	254,000	€	01.11.2025		266	0.47
Ford Motor Credit 6.95%	375,000	US\$	10.06.2026		383	0.67
LPL Holdings 4%	148,000	US\$	15.03.2029		136	0.24
Meritage Homes 3.875%	122,000	US\$	15.04.2029		112	0.20
NGPL PipeCo 4.875%	222,000	US\$	15.08.2027		217	0.38
Norddeutsche Landesbank-Girozentrale 6.25%	200,000	US\$	10.04.2024		200	0.35
Orano 4.875%	100,000	€	23.09.2024		108	0.19
Pacific Gas and Electric 4.55%	166,000	US\$	01.07.2030		158	0.28

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Petróleos Mexicanos 4.75%	200,000	€	26.02.2029		182	0.32
Petróleos Mexicanos 6.5%	875,000	US\$	13.03.2027		824	1.45
Petróleos Mexicanos 6.7%	416,000	US\$	16.02.2032		346	0.61
Pilgrim's Pride 3.5%	335,000	US\$	01.03.2032		284	0.50
Pilgrim's Pride 4.25%	287,000	US\$	15.04.2031		259	0.45
PRA Health Sciences 2.875%	200,000	US\$	15.07.2026		186	0.33
Stora Enso 7.25%	235,000	US\$	15.04.2036		247	0.43
Targa Resources Partners Via Targa Resources Partners Finance 4%	370,000	US\$	15.01.2032		333	0.58
Targa Resources Partners Via Targa Resources Partners Finance 4.875%	111,000	US\$	01.02.2031		106	0.19
United Airlines 4.875%	35,584	US\$	15.07.2027		35	0.06
<b>'BB' credit rated bonds</b>					<b>31,651</b>	<b>55.62</b>
1011778 BC Via New Red Finance 3.875%	159,000	US\$	15.01.2028		149	0.26
1011778 BC Via New Red Finance 5.75%	111,000	US\$	15.04.2025		111	0.20
ADT 4.125%	148,000	US\$	01.08.2029		135	0.24
Albertsons Companies Via Safeway Via New Albertsons Via Albertsons 3.5%	159,000	US\$	15.03.2029		143	0.25
Albertsons Companies Via Safeway Via New Albertsons Via Albertsons 5.875%	186,000	US\$	15.02.2028		185	0.33
Allwyn Entertainment Financing 7.875%	200,000	US\$	30.04.2029		206	0.36
American Airlines 7.25%	275,000	US\$	15.02.2028		280	0.49
American Airlines 8.5%	139,000	US\$	15.05.2029		147	0.26
American Airlines Via AAdvantage Loyalty 5.5%	95,275	US\$	20.04.2026		95	0.17
Antero Midstream Partners Via Antero Midstream Finance 5.75%	259,000	US\$	15.01.2028		255	0.45
Antero Midstream Partners Via Antero Midstream Finance 6.625%	42,000	US\$	01.02.2032		42	0.07
Ashton Woods USA Via Ashton Woods Finance 4.625%	420,000	US\$	01.08.2029		388	0.68
Avantor Funding 3.875%	363,000	€	15.07.2028		382	0.67
B&M European Value Retail 4%	200,000	£	15.11.2028		235	0.41
Banco Bilbao Vizcaya Argentaria FRN	200,000	€	31.12.2099		216	0.38

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Barclays FRN	200,000	£	31.12.2099		257	0.45
Bath & Body Works 6.625%	137,000	US\$	01.10.2030		140	0.25
Bath & Body Works 6.75%	86,000	US\$	01.07.2036		87	0.15
Belden 3.375%	100,000	€	15.07.2031		100	0.18
Belden 3.875%	200,000	€	15.03.2028		212	0.37
Bellis Acquisition 4.5%	165,000	£	16.02.2026		200	0.35
Benteler International 9.375%	100,000	€	15.05.2028		116	0.20
Benteler International 10.5%	200,000	US\$	15.05.2028		216	0.38
British Telecommunications FRN	190,000	€	03.10.2054		205	0.36
Caesars Entertainment 6.5%	30,000	US\$	15.02.2032		30	0.05
Calpine 4.5%	350,000	US\$	15.02.2028		332	0.58
Canpack Via Canpack US 2.375%	101,000	€	01.11.2027		101	0.18
Canpack Via Canpack US 3.875%	200,000	US\$	15.11.2029		177	0.31
Carnival 4%	166,000	US\$	01.08.2028		154	0.27
Carnival Holdings 10.375%	206,000	US\$	01.05.2028		225	0.40
CCO Holdings Via CCO Holdings Capital 4.25%	186,000	US\$	01.02.2031		152	0.27
CCO Holdings Via CCO Holdings Capital 4.5%	106,000	US\$	01.05.2032		85	0.15
CCO Holdings Via CCO Holdings Capital 5.125%	495,000	US\$	01.05.2027		472	0.83
CCO Holdings Via CCO Holdings Capital 5.5%	515,000	US\$	01.05.2026		508	0.89
Cellnex Finance 2%	100,000	€	15.09.2032		94	0.17
Citycon FRN	100,000	€	31.12.2099		78	0.14
Civitas Resources 8.375%	415,000	US\$	01.07.2028		437	0.77
Clean Harbors 6.375%	289,000	US\$	01.02.2031		291	0.51
CNX Resources 7.25%	174,000	US\$	01.03.2032		177	0.31
CNX Resources 7.375%	294,000	US\$	15.01.2031		300	0.53
Commerzbank FRN	200,000	€	31.03.2099		213	0.37
Compagnie Plastic Omnium 4.875%	200,000	€	13.03.2029		215	0.38
Consolidated Energy Finance 12%	200,000	US\$	15.02.2031		206	0.36
Coty Via HFC Prestige Products Via HFC Prestige International 6.625%	296,000	US\$	15.07.2030		300	0.53
CPI Property Group FRN	328,000	€	31.12.2099		212	0.37

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Crowdstrike Holdings 3%	148,000	US\$	15.02.2029		132	0.23
Crown Americas Via Crown Americas Capital 4.25%	254,000	US\$	30.09.2026		246	0.43
Darling Ingredients 6%	261,000	US\$	15.06.2030		259	0.46
Domtar 6.75%	129,000	US\$	01.10.2028		117	0.21
DT Midstream 4.125%	74,000	US\$	15.06.2029		68	0.12
DT Midstream 4.375%	278,000	US\$	15.06.2031		251	0.44
Ecopetrol 6.875%	186,000	US\$	29.04.2030		182	0.32
Ecopetrol 8.375%	186,000	US\$	19.01.2036		188	0.33
Ecopetrol 8.625%	74,000	US\$	19.01.2029		79	0.14
Ecopetrol 8.875%	70,000	US\$	13.01.2033		74	0.13
Energiean Israel Finance 5.875%	147,621	US\$	30.03.2031		129	0.23
EQM Midstream Partners 4.5%	222,000	US\$	15.01.2029		209	0.37
EQM Midstream Partners 5.5%	126,000	US\$	15.07.2028		124	0.22
EQM Midstream Partners 6.375%	89,000	US\$	01.04.2029		90	0.16
EQM Midstream Partners 6.5%	148,000	US\$	01.07.2027		150	0.26
Eramet 7%	200,000	€	22.05.2028		217	0.38
Eurobank FRN	178,000	€	26.01.2029		209	0.37
Eurofins Scientific FRN	100,000	€	31.12.2099		105	0.18
Greenko Solar Mauritius 5.55%	250,000	US\$	29.01.2025		247	0.43
Grünenthal 4.125%	257,000	€	15.05.2028		269	0.47
Grupo KUO 5.75%	244,000	US\$	07.07.2027		230	0.40
GTCR W-2 Merger Sub Via GTCR W Dutch Finance Sub 8.5%	178,000	£	15.01.2031		243	0.43
H&E Equipment Services 3.875%	111,000	US\$	15.12.2028		102	0.18
Heathrow Finance 3.875%	155,000	£	01.03.2027		184	0.32
Heathrow Finance 6.625%	143,000	£	01.03.2031		179	0.31
Hilcorp Energy I Via Hilcorp Finance 5.75%	186,000	US\$	01.02.2029		181	0.32
Huhtamäki 4.25%	100,000	€	09.06.2027		109	0.19
Iliad 5.375%	200,000	€	15.02.2029		220	0.39
Infrastrutture Wireless Italiane 1.875%	151,000	€	08.07.2026		156	0.27
International Game Technology 4.125%	275,000	US\$	15.04.2026		267	0.47

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Intesa Sanpaolo FRN	300,000	€	31.12.2099		362	0.64
Intrum 3.5%	178,000	€	15.07.2026		125	0.22
IQVIA 6.5%	300,000	US\$	15.05.2030		306	0.54
Iron Mountain 7%	277,000	US\$	15.02.2029		282	0.50
Jaguar Land Rover Automotive 7.75%	265,000	US\$	15.10.2025		268	0.47
Jazz Securities 4.375%	435,000	US\$	15.01.2029		405	0.71
KB Home 4.8%	74,000	US\$	15.11.2029		70	0.12
KBC Group FRN	200,000	€	31.12.2099		206	0.36
Kohl's 4.625%	224,000	US\$	01.05.2031		188	0.33
Levi Strauss 3.5%	347,000	US\$	01.03.2031		305	0.54
Lloyds Banking Group FRN	200,000	€	31.12.2049		213	0.37
Macquarie Airfinance Holdings 8.375%	236,000	US\$	01.05.2028		251	0.44
Macy's Retail Holdings 5.875%	9,000	US\$	15.03.2030		9	0.02
Mahle 2.375%	200,000	€	14.05.2028		189	0.33
Matador Resources 6.5%	40,000	US\$	15.04.2032		40	0.07
Matador Resources 6.875%	29,000	US\$	15.04.2028		30	0.05
Melco Resorts Finance 5.375%	200,000	US\$	04.12.2029		183	0.32
Midas Opco Holdings 5.625%	352,000	US\$	15.08.2029		319	0.56
Millicom International Cellular 4.5%	200,000	US\$	27.04.2031		172	0.30
Millicom International Cellular 4.5%	229,000	US\$	27.04.2031		197	0.35
MPT Operating Partnership Via MPT Finance 3.325%	140,000	€	24.03.2025		142	0.25
MPT Operating Partnership Via MPT Finance 3.5%	42,000	US\$	15.03.2031		28	0.05
Nationwide Building Society FRN	200,000	£	31.12.2099		250	0.44
Network i2i FRN	300,000	US\$	31.12.2099		285	0.50
Newell Brands 4.875%	270,000	US\$	01.06.2025		266	0.47
NextEra Energy Operating Partners 7.25%	119,000	US\$	15.01.2029		122	0.21
Novo Banco FRN	200,000	€	01.12.2033		250	0.44
Olin 5%	123,000	US\$	01.02.2030		117	0.21
Organon & Co Via Organon Foreign Debt Co-Issuer 4.125%	200,000	US\$	30.04.2028		186	0.33
Paramount Global FRN	175,000	US\$	30.03.2062		162	0.28

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Performance Food Group 5.5%	79,000	US\$	15.10.2027		78	0.14
Permian Resources Operating 5.875%	315,000	US\$	01.07.2029		310	0.54
Permian Resources Operating 7%	56,000	US\$	15.01.2032		58	0.10
Petrobras Global Finance 5.6%	148,000	US\$	03.01.2031		144	0.25
PetSmart Via PetSmart Finance 4.75%	518,000	US\$	15.02.2028		485	0.85
Pinewood Finance 3.25%	100,000	£	30.09.2025		124	0.22
Pinewood Finance 3.625%	178,000	£	15.11.2027		211	0.37
Pinewood Finco 6%	200,000	£	27.03.2030		253	0.44
Post Holdings 6.25%	55,000	US\$	15.02.2032		56	0.10
Premier Foods Finance 3.5%	220,000	£	15.10.2026		266	0.47
Prestige Brands 3.75%	214,000	US\$	01.04.2031		187	0.33
Q-Park Holding I 2%	200,000	€	01.03.2027		203	0.36
Rakuten Group 11.25%	200,000	US\$	15.02.2027		212	0.37
Rand Parent 8.5%	326,000	US\$	15.02.2030		323	0.57
Rede D'Ór Finance 4.95%	200,000	US\$	17.01.2028		191	0.34
Rexel 2.125%	178,000	€	15.12.2028		177	0.31
Rogers Communications FRN	148,000	US\$	15.03.2082		142	0.25
Rolls-Royce 1.625%	330,000	€	09.05.2028		327	0.57
Royal Caribbean Cruises 7.25%	29,000	US\$	15.01.2030		30	0.05
Royal Caribbean Cruises 9.25%	478,000	US\$	15.01.2029		513	0.90
Sappi Papier Holding 3.625%	177,000	€	15.03.2028		184	0.32
Schaeffler 2.75%	200,000	€	12.10.2025		212	0.37
Sealed Air Corp 6.125%	200,000	US\$	01.02.2028		200	0.35
Service Properties Trust 8.625%	130,000	US\$	15.11.2031		138	0.24
Sirius XM Radio 5%	279,000	US\$	01.08.2027		268	0.47
SoftBank Group 3.875%	201,000	€	06.07.2032		195	0.34
Southwestern Energy 4.75%	62,000	US\$	01.02.2032		57	0.10
Spirit AeroSystems 9.375%	154,000	US\$	30.11.2029		168	0.30
Spirit Loyalty Cayman Via Spirit IP Cayman 8%	372,767	US\$	20.09.2025		282	0.50
Talen Energy Supply 8.625%	150,000	US\$	01.06.2030		160	0.28

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Talos Production 9%	22,000	US\$	01.02.2029		23	0.04
TEGNA 4.625%	154,000	US\$	15.03.2028		142	0.25
Telefónica Europe FRN	200,000	€	31.12.2099		218	0.38
Tenet Healthcare 6.125%	259,000	US\$	15.06.2030		259	0.46
Tereos Finance Groupe I 4.75%	254,000	€	30.04.2027		276	0.48
Tereos Finance Groupe I 7.5%	200,000	€	30.10.2025		220	0.39
Teva Pharmaceutical Finance Netherlands II 1.625%	113,000	€	15.10.2028		106	0.19
Teva Pharmaceutical Finance Netherlands III 3.15%	300,000	US\$	01.10.2026		281	0.49
Teva Pharmaceutical Finance Netherlands III 6.75%	400,000	US\$	01.03.2028		410	0.72
TI Automotive Finance 3.75%	200,000	€	15.04.2029		203	0.36
UBS Group FRN	200,000	US\$	29.12.2049		200	0.35
UniCredit FRN	350,000	€	31.12.2099		392	0.69
United Airlines 4.625%	127,000	US\$	15.04.2029		118	0.21
United Rentals 6.125%	146,000	US\$	15.03.2034		147	0.26
US Foods 6.875%	165,000	US\$	15.09.2028		169	0.30
Vår Energi FRN	183,000	€	15.11.2083		213	0.37
Vertiv Group 4.125%	174,000	US\$	15.11.2028		163	0.29
Videotron 3.625%	282,000	US\$	15.06.2029		255	0.45
Vodafone Group FRN	201,000	US\$	04.04.2079		208	0.37
WMG Acquisition 2.25%	273,000	€	15.08.2031		256	0.45
Wynn Macau 4.5%	200,000	US\$	07.03.2029		213	0.37
Yum! Brands 5.375%	212,000	US\$	01.04.2032		205	0.36
ZF Europe Finance 3%	200,000	€	23.10.2029		200	0.35
ZF Finance 3.75%	100,000	€	21.09.2028		104	0.18
ZF Finance 5.75%	100,000	€	03.08.2026		111	0.20
<b>'B' credit rated bonds</b>					<b>13,174</b>	<b>23.15</b>
1375209 BC 9%	25,000	US\$	30.01.2028		25	0.04
888 Acquisitions 7.558%	250,000	€	15.07.2027		262	0.46
AdaptHealth 5.125%	322,000	US\$	01.03.2030		281	0.49
ADLER Financing 12.5%	124,000	€	30.06.2025		153	0.27

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Allied Universal Holdco 7.875%	139,000	US\$	15.02.2031		140	0.25
Ardagh Metal Packaging Finance 4%	200,000	US\$	01.09.2029		162	0.28
Ascent Resources Utica Holdings Via ARU Finance 5.875%	241,000	US\$	30.06.2029		230	0.40
Ascent Resources Utica Holdings Via ARU Finance 8.25%	111,000	US\$	31.12.2028		114	0.20
Aston Martin Capital Holdings 10.375%	135,000	£	31.03.2029		174	0.31
Banijay Entertainment 7%	173,000	€	01.05.2029		196	0.34
Boxer Parent 6.5%	250,000	€	02.10.2025		270	0.47
Burger King France FRN	176,000	€	01.11.2026		192	0.34
Caesars Entertainment 4.625%	41,000	US\$	15.10.2029		38	0.07
Caesars Entertainment 8.125%	111,000	US\$	01.07.2027		114	0.20
Calderys Financing 11.25%	106,000	US\$	01.06.2028		114	0.20
Cheplapharm Arzneimittel 7.5%	200,000	€	15.05.2030		228	0.40
CHS Via Community Health Systems 4.75%	382,000	US\$	15.02.2031		296	0.52
Cirsa Finance International 6.5%	131,000	€	15.03.2029		145	0.26
CITGO Petroleum 8.375%	283,000	US\$	15.01.2029		297	0.52
Comstock Resources 6.75%	259,000	US\$	01.03.2029		247	0.43
CPUK Finance 4.5%	100,000	£	28.08.2027		115	0.20
CPUK Finance 6.5%	227,000	£	28.08.2026		284	0.50
CSC Holdings 4.5%	250,000	US\$	15.11.2031		177	0.31
CSC Holdings 11.75%	200,000	US\$	31.01.2029		201	0.35
Cullinan Holdco 4.625%	144,000	€	15.10.2026		140	0.25
Deuce FinCo 5.5%	204,000	£	15.06.2027		244	0.43
DISH DBS 5.25%	37,000	US\$	01.12.2026		29	0.05
DISH DBS 5.75%	163,000	US\$	01.12.2028		112	0.20
DISH Network 11.75%	214,000	US\$	15.11.2027		220	0.39
Électricité de France FRN	200,000	US\$	31.12.2099		221	0.39
EquipmentShare.com 9%	132,000	US\$	15.05.2028		136	0.24
Forward Air 9.5%	138,000	US\$	15.10.2031		138	0.24
Frontier Communications Holdings 8.625%	241,000	US\$	15.03.2031		246	0.43

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Grifols 2.25%	178,000	€	15.11.2027		169	0.30
Grifols 3.875%	130,000	€	15.10.2028		111	0.20
Heimstaden FRN	200,000	€	31.12.2099		56	0.10
iHeartCommunications 4.75%	105,000	US\$	15.01.2028		73	0.13
Iliad Holding 5.125%	150,000	€	15.10.2026		160	0.28
International Design Group 10%	200,000	€	15.11.2028		224	0.39
IPD 3 8%	164,000	€	15.06.2028		188	0.33
LHMC Finco 2 7.25%	160,863	€	02.10.2025		174	0.31
Light & Wonder International 7.5%	40,000	US\$	01.09.2031		42	0.07
Mauser Packaging Solutions Holding 7.875%	59,000	US\$	15.08.2026		60	0.11
McGraw-Hill Education 5.75%	120,000	US\$	01.08.2028		113	0.20
Medline Borrower 3.875%	296,000	US\$	01.04.2029		270	0.47
MGM China Holdings 4.75%	200,000	US\$	01.02.2027		191	0.34
Monitchem HoldCo 3 8.75%	274,000	€	01.05.2028		301	0.53
Ocado Group 3.875%	163,000	£	08.10.2026		185	0.33
Olympus Water US Holding 9.625%	200,000	€	15.11.2028		232	0.41
Owens & Minor 4.5%	259,000	US\$	31.03.2029		238	0.42
PCF 4.75%	100,000	€	15.04.2026		82	0.14
Sani/Ikos Financial Holdings 1 5.625%	178,000	€	15.12.2026		188	0.33
Scientific Games Holdings Via Scientific Games FinCo 6.625%	303,000	US\$	01.03.2030		293	0.52
Staples 7.5%	159,000	US\$	15.04.2026		155	0.27
Star Parent 9%	107,000	US\$	01.10.2030		113	0.20
Studio City Finance 6.5%	400,000	US\$	15.01.2028		381	0.67
Sunnova Energy 11.75%	119,000	US\$	01.10.2028		92	0.16
Techem Verwaltungsgesellschaft 2%	407,000	€	15.07.2025		432	0.76
Techem Verwaltungsgesellschaft 6%	129,242	€	30.07.2026		139	0.24
Telecom Italia 5.303%	300,000	US\$	30.05.2024		299	0.53
Telecom Italia 7.875%	100,000	€	31.07.2028		119	0.21
TK Elevator Midco 4.375%	150,000	€	15.07.2027		156	0.27
Transocean 11.5%	105,000	US\$	30.01.2027		110	0.19

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Transocean 11.5%	121,000	US\$	30.01.2027		126	0.22
Trivium Packaging Finance 3.75%	117,000	€	15.08.2026		122	0.21
TVL Finance 10.25%	167,000	£	28.04.2028		221	0.39
USA Compression Partners Via USA Compression Finance 7.125%	70,000	US\$	15.03.2029		71	0.12
Verisure Holding 3.25%	250,000	€	15.02.2027		259	0.46
Verisure Midholding 5.25%	200,000	€	15.02.2029		209	0.37
Viking Ocean Cruises Ship VII 5.625%	137,000	US\$	15.02.2029		133	0.23
Voyage Care Bondco 5.875%	200,000	£	15.02.2027		209	0.37
WEPA Hygieneprodukte 5.625%	100,000	€	15.01.2031		109	0.19
WP/AP Telecom Holdings IV 3.75%	253,000	€	15.01.2029		257	0.45
Ziggo Bond 5.125%	200,000	US\$	28.02.2030		171	0.30
<b>'CCC' credit rated bonds</b>					<b>3,005</b>	<b>5.28</b>
AGPS BondCo 5%	200,000	€	14.01.2029		82	0.14
Altice France 4%	244,000	€	15.07.2029		188	0.33
Bausch Health 4.875%	118,000	US\$	01.06.2028		65	0.11
Bausch Health 5%	68,000	US\$	15.02.2029		29	0.05
Bausch Health 11%	45,000	US\$	30.09.2028		30	0.05
Bausch Health 14%	9,000	US\$	15.10.2030		5	0.01
Casino Guichard Perrachon 6.625%	250,000	€	15.01.2026		3	0.01
CHS Via Community Health Systems 6.875%	108,000	US\$	15.04.2029		81	0.14
CSC Holdings 5.75%	200,000	US\$	15.01.2030		106	0.19
CSC Holdings 7.5%	220,000	US\$	01.04.2028		147	0.26
Glatfelter 4.75%	413,000	US\$	15.11.2029		352	0.62
Herens Midco 5.25%	200,000	€	15.05.2029		142	0.25
Kenbourne Invest 4.7%	286,000	US\$	22.01.2028		104	0.18
McGraw-Hill Education 8%	148,000	US\$	01.08.2029		139	0.24
Mclaren Finance 7.5%	200,000	US\$	01.08.2026		176	0.31
Samhällsbyggnadsbolaget i Norden 2.25%	100,000	€	12.08.2027		74	0.13
Selecta Group 8%	105,707	€	01.04.2026		112	0.20
Sigma Holdco 5.75%	270,000	€	15.05.2026		276	0.49

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'CCC' credit rated bonds</b> (continued)						
Triton Water Holdings 6.25%	350,000	US\$	01.04.2029		319	0.56
Unifrax Escrow Issuer 5.25%	214,000	US\$	30.09.2028		141	0.25
Unifrax Escrow Issuer 7.5%	34,000	US\$	30.09.2029		19	0.03
Uniti Group Via Uniti Group Finance Via CSL Capital 6.5%	165,000	US\$	15.02.2029		128	0.22
VTR Comunicaciones 4.375%	250,000	US\$	15.04.2029		174	0.31
VTR Finance 6.375%	200,000	US\$	15.07.2028		113	0.20
<b>'D' credit rated bonds</b>					<b>35</b>	<b>0.06</b>
Lehman Brothers Holdings FRN <sup>a</sup>	300,000	€	26.09.2040		0	0.00
Yuzhou Group Holdings 7.85% <sup>b</sup>	500,000	US\$	12.08.2026		24	0.04
Yuzhou Group Holdings 8.3% <sup>b</sup>	200,000	US\$	27.05.2025		11	0.02
<b>Bonds with no credit rating</b>					<b>23</b>	<b>0.04</b>
Casino Guichard Perrachon 5.25%	100,000	€	15.04.2027		1	0.00
K2016470219 South Africa FRN	36,201	US\$	31.12.2049		0	0.00
Sunac China Holdings 1%	26,087	US\$	30.09.2032		2	0.00
Sunac China Holdings 6%	21,103	US\$	30.09.2025		2	0.00
Sunac China Holdings 6.25%	21,103	US\$	30.09.2032		2	0.01
Sunac China Holdings 6.5%	42,207	US\$	30.09.2027		4	0.01
Sunac China Holdings 6.75%	63,311	US\$	30.09.2028		5	0.01
Sunac China Holdings 7%	63,311	US\$	30.09.2029		5	0.01
Sunac China Holdings 7.25%	29,744	US\$	30.09.2030		2	0.00
<b>Debt derivatives</b>					<b>(24)</b>	<b>(0.04)</b>
<b>Interest rate futures</b>					<b>(24)</b>	<b>(0.04)</b>
Deutscher Bobl 5 year Futures	(29)	€	06.06.2024	31	(10)	(0.02)
US Treasury Notes 10 year Futures	26	US\$	18.06.2024	26	4	0.01
UK Treasury Notes Futures	(6)	£	26.06.2024	8	(18)	(0.03)
US Treasury Notes 5 year Futures	28	US\$	28.06.2024	28	0	0.00
<b>Currency</b>					<b>160</b>	<b>0.28</b>
<b>Forward currency contracts</b>					<b>160</b>	<b>0.28</b>
Bought for € 320,491.79, Sold for US\$ 347,656.23			03.04.2024	345	(2)	0.00
Bought for US\$ 18,882,827.61, Sold for € 17,381,137.12			03.04.2024	18,745	139	0.24

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency (continued)</b>						
<b>Forward currency contracts (continued)</b>						
Bought for US\$ 4,155,594.69, Sold for £ 3,276,040.30			03.04.2024	4,132	23	0.04
<b>Portfolio of investments</b>					<b>54,217</b>	<b>95.27</b>
<b>Cash equivalents</b>					<b>2,033</b>	<b>3.58</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	2,033,000	US\$			<b>2,033</b>	<b>3.58</b>
<b>Share class hedging</b>					<b>(238)</b>	<b>(0.42)</b>
Bought for CHF 49,535.42, Sold for US\$ 55,351.79			24.04.2024	55	0	0.00
Bought for € 47,839,125.04, Sold for US\$ 51,873,849.55			24.04.2024	51,591	(238)	(0.42)
Bought for US\$ 1,248.09, Sold for CHF 1,117.22			24.04.2024	2	0	0.00
Bought for US\$ 277,461.72, Sold for € 255,941.59			24.04.2024	276	0	0.00
<b>Total portfolio</b>					<b>56,012</b>	<b>98.43</b>
Net other assets/(liabilities)					894	1.57
<b>Net assets</b>					<b>56,906</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	1	0.00
Debt securities	54,080	95.03
Unrealised gains on futures contracts	4	0.01
Unrealised gains on forward currency contracts	162	0.28
<b>Total Investment assets</b>	<b>54,247</b>	<b>95.32</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(28)	(0.05)
Unrealised losses on forward currency contracts	(240)	(0.42)
<b>Total Investment liabilities</b>	<b>(268)</b>	<b>(0.47)</b>
<b>Total portfolio</b>	<b>53,979</b>	<b>94.85</b>
<b>Cash equivalents</b>	<b>2,033</b>	<b>3.58</b>
<b>Net other assets/(liabilities)</b>	<b>894</b>	<b>1.57</b>
<b>Net assets</b>	<b>56,906</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> Defaulted bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures		
	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	0	4	0
Barclays Bank London	0	0	300
BNP Paribas	2	0	0
Citigroup Global Markets Limited	9	0	0
National Australia Bank Ltd	130	0	0
State Street Bank and Trust Company	1	0	0
State Street Bank and Trust Company, London Branch	20	0	0
UBS AG London	1	0	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A-H' Accumulation	+8.2	-1.5	+0.5	+3.0	10.12.10	09.11.18
Class 'A-H' Distribution	+8.1	-1.5	+0.5	+2.1	12.07.13	09.11.18
Class 'B-H' Accumulation	+7.6	-1.9	0.0	+1.5	26.07.13	09.11.18
Class 'B-H' Distribution	+7.6	-2.0	-0.1	+1.1	11.09.15	09.11.18
Class 'C-H' Accumulation	+8.8	-0.8	+1.1	+3.6	10.12.10	09.11.18
Class 'C-H' Distribution	+8.8	-0.9	+1.0	+2.1	08.08.14	09.11.18
Class 'CI-H' Accumulation	+8.9	-0.8	+1.1	+3.6	10.12.10	19.11.18
Class 'LI-H' Accumulation	n/a	n/a	n/a	+6.1 <sup>b</sup>	n/a	21.11.23
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+5.9	-2.5	-0.2	+1.2	25.09.15	09.11.18
Class 'C-H' Accumulation	+6.5	-1.9	+0.4	+1.8	25.09.15	09.11.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+10.2	+0.5	+2.5	+4.5	10.12.10	09.11.18
Class 'A' Distribution	+10.2	+0.5	+2.5	+3.4	08.08.14	09.11.18
Class 'C' Accumulation	+10.9	+1.1	+3.1	+5.2	10.12.10	09.11.18
Class 'C' Distribution	+10.8	+1.1	+3.1	+4.0	08.08.14	09.11.18
Class 'CI' Accumulation	+10.9	+1.1	+3.2	+5.2	10.12.10	19.11.18
Class 'LI' Accumulation	n/a	n/a	n/a	+6.8 <sup>b</sup>	n/a	21.11.23

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Global High Yield Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global High Yield Bond Fund is a UK authorised sub-fund which launched on 16 October 1998 and its non-Sterling share classes merged into M&G (Lux) Global High Yield Bond Fund on 9 November 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A-H' Accumulation	1,414,495.063	14.8663	13.7447	14.8327	1.22
Class 'A-H' Distribution	1,169,143.806	8.6278	8.5016	9.6956	1.22
Class 'B-H' Accumulation	131,721.068	11.7678	10.9341	11.8583	1.72
Class 'B-H' Distribution	136,213.313	7.0653	6.9968	8.0201	1.72
Class 'C-H' Accumulation	140,122.499	16.0759	14.7767	15.8488	0.62
Class 'C-H' Distribution	83,188.809	9.6457	9.4448	10.7046	0.61
Class 'CI-H' Accumulation	1,003,918.543	10.9262	10.0363	10.7590	0.58
Class 'LI-H' Accumulation	4,600.000	10.6139	n/a	n/a	0.34
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,161.481	11.0614	10.4494	11.3686	1.21
Class 'C-H' Accumulation	2,123.594	11.6453	10.9377	11.8243	0.62
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	189,462.069	17.8985	16.2431	17.0158	1.20
Class 'A' Distribution	42,949.933	10.9833	10.6156	11.7498	1.20
Class 'C' Accumulation	2,702.493	19.6422	17.7176	18.4491	0.59
Class 'C' Distribution	12,255.108	11.7280	11.2678	12.3967	0.61
Class 'CI' Accumulation	106,306.009	12.2348	11.0330	11.4837	0.57
Class 'LI' Accumulation	4,600.000	10.6762	n/a	n/a	0.32

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	56,906	67,006	76,642
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>56,906</b>	<b>67,006</b>	<b>76,642</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Between 1 April 2023 (the start of the review period) and 31 March 2024, the M&G (Lux) Global Listed Infrastructure Fund posted mixed returns (the combination of income and growth of capital) across its share classes and underperformed its benchmark, the MSCI ACWI Net Return Index, which returned 23.95% in euros and 23.22% in US dollars.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Global stocks rallied in the 12 months under review, fuelled by gains for US technology giants, such as NVIDIA and Microsoft. These shares surged because of optimism about the potential for artificial intelligence (AI). Still, the so-called 'Magnificent Seven' splintered towards the end of the period, with Apple and Tesla, in particular, suffering declines. The technology gains meant that the US was a star market in the review period. Japan also outperformed, with the Nikkei surpassing its previous peak, set in 1989. Europe lagged, with the UK underperforming Germany and France in sterling terms. Emerging markets and Asia ex-Japan were both held back by weakness in China.

The AI excitement meant that information technology was the best performing sector in the MSCI ACWI index during the review period; however, the industry is outside of the sub-fund's remit. Communications services and financials also outperformed. Consumer staples was the biggest laggard as inflation squeezed shoppers' purchasing power. Utilities and real estate were also underperformers, partly because high interest rates dented profit expectations. This was a significant headwind for listed infrastructure strategies.

Against this backdrop, the sub-fund underperformed the MSCI ACWI Net Return Index, with utilities and real estate being the biggest detractors at the sector level. The lack of exposure to technology also weighed on

returns. The sub-fund benefited from not owning stocks in consumer staples, healthcare and consumer discretionary.

At the stock level, NextEra Energy Partners was the biggest drag on the sub-fund's relative performance. Shares of the renewable energy provider tumbled after the company lowered its distributions growth target because of high interest rates. Telecom tower owner Crown Castle was a detractor amid declines for revenue and net income. Wind-turbine operator Ørsted also weighed on returns partly due to a writedown caused by the abandonment of two offshore wind farms in the US. Positions in green-energy provider AES and gold company Franco-Nevada also dented relative performance, along with a lack of exposure to chipmaker NVIDIA.

The sub-fund benefited from not holding Apple, Tesla and Tencent, three once-high flying technology-related stocks. An overweight position in Oneok boosted performance as the natural gas company expanded its operations, raised its dividends and announced a share buyback. PrairieSky Royalty was similarly beneficial, aided by a higher dividend and an increase in royalty-generating oil production. Ferrovia was another boost to active returns, partly because of higher revenues from North American highways. The construction company also plans to list shares in the US to broaden its investor base.

### Investment activities

The sub-fund took advantage of attractive entry points for infrastructure businesses generating reliable and growing cashflows in the period. Still, it mainly pursues a low turnover, buy-and-hold strategy.

We entered into a position in Japanese port operator Kamigumi in June, our first investment in the country. The position was exited in January following a review of ESG-related exclusions rules in the sub-fund prospectus, particularly with regards to changes in sustainability regulations.

In August, we initiated a holding in Getlink, the owner and operator of the Eurotunnel. The following month, we opened a position in oil pipeline operator Enbridge,

# Investment review

taking advantage of a dip in its share partly caused by new issuance for acquisitions.

Our exits during the year include Hong Kong subway operator MTR and Brazilian toll road company CCR. We also sold our holdings in Singaporean fibre-optic network operator NetLink because of slow dividend growth. In November, we divested US railroad Union Pacific, partly to sub-fund investment in another US rail company, CSX.

## Outlook

Despite the recent challenging backdrop for listed infrastructure, we remain highly enthused by the opportunities in the asset class. The combination of decarbonisation, digitalisation and demographics are driving structural changes that can only be met with significant investment in real assets.

The market has been focused on the undeniably strong earnings power in US technology; but achieving the potential productivity gains these companies promise can only be harnessed with sustainable energy sources, secure supply chains, state of the art data centres and communications networks.

Recent activity in the private infrastructure space has helped to cement our view that this asset class will continue to attract capital. The unceasing drive towards electrification of the economy, re-shoring and enhanced resource security, as well as demographic change with urban migration, along with the need for real income growth – lead us to believe that listed infrastructure has a bright future.

Our companies are broadly delivering as we would have hoped; growing their earnings and dividends whilst continuing to invest in future growth. The valuations we feel do not fully reflect that execution and delivery. We continue to believe that listed infrastructure can continue to offer compounding income growth with economic resilience and inflation protection.

## Alex Araujo

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>1,973,843</b>	<b>99.10</b>
<b>United Kingdom</b>					<b>251,618</b>	<b>12.63</b>
HICL Infrastructure	43,757,962	£			69,539	3.49
Home REIT <sup>a</sup>	57,328,604	£			10,267	0.51
National Grid	2,950,406	£			39,566	1.99
SDCL Energy Efficiency Income Trust	46,358,574	£			34,760	1.74
Segro	6,083,030	£			68,429	3.44
UNITE Group	2,377,557	£			29,057	1.46
<b>Belgium</b>						
Elia Group	271,737	€			<b>29,284</b>	<b>1.47</b>
<b>France</b>					<b>78,286</b>	<b>3.93</b>
Getlink	2,263,611	€			38,559	1.94
Vinci	308,854	€			39,727	1.99
<b>Germany</b>						
E.ON	2,859,559	€			<b>39,667</b>	<b>1.99</b>
<b>Guernsey</b>						
International Public Partnerships	44,327,573	£			<b>69,270</b>	<b>3.48</b>
<b>Italy</b>					<b>129,030</b>	<b>6.48</b>
A2A	16,960,018	€			30,554	1.53
Enel	7,443,016	€			49,358	2.48
Infrastrutture Wireless Italiane	4,327,359	€			49,118	2.47
<b>Spain</b>						
Ferrovial	983,360	€			<b>38,613</b>	<b>1.94</b>
<b>Switzerland</b>						
Flughafen Zürich	86,703	CHF			<b>19,797</b>	<b>0.99</b>
<b>United States</b>					<b>848,295</b>	<b>42.59</b>
AES	4,106,982	US\$			70,861	3.56
Alexandria Real Estate Equities	624,023	US\$			79,541	3.99
American Tower	300,947	US\$			59,326	2.98
American Water Works	339,183	US\$			41,123	2.06
Atmos Energy	174,554	US\$			20,200	1.01
CME Group	91,997	US\$			19,836	1.00
Crown Castle International	749,168	US\$			78,983	3.97

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
CSX	1,050,597	US\$			38,678	1.94
Edison International	704,598	US\$			48,838	2.45
Equinix	71,536	US\$			58,244	2.92
Eversource Energy	862,000	US\$			50,751	2.55
Exelon	1,091,887	US\$			40,592	2.04
Mastercard 'A'	41,508	US\$			19,718	0.99
NextEra Energy	797,331	US\$			50,595	2.54
NextEra Energy Partners	1,777,547	US\$			51,297	2.58
ONEOK	501,095	US\$			39,900	2.00
Republic Services	104,104	US\$			19,939	1.00
Sempra Energy	568,377	US\$			40,436	2.03
Visa 'A'	69,651	US\$			19,437	0.98
<b>Canada</b>					<b>363,678</b>	<b>18.26</b>
Enbridge	1,386,280	CA\$			49,662	2.49
Franco-Nevada	598,709	CA\$			69,839	3.51
Gibson Energy	3,938,721	CA\$			66,474	3.34
Keyera	1,967,364	CA\$			49,941	2.51
PrairieSky Royalty	3,154,696	CA\$			60,224	3.02
TransCanada	1,705,150	US\$			67,538	3.39
<b>Japan</b>						
Kamigumi	1,733,766	¥			<b>38,062</b>	<b>1.91</b>
<b>Australia</b>						
Transurban Group	6,970,627	AU\$			<b>60,286</b>	<b>3.03</b>
<b>China</b>						
Xinyi Energy Holdings	56,332,761	HK\$			<b>7,957</b>	<b>0.40</b>
<b>Portfolio of investments</b>					<b>1,973,843</b>	<b>99.10</b>
<b>Cash equivalents</b>					<b>10,310</b>	<b>0.52</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	10,310,000	US\$			<b>10,310</b>	<b>0.52</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b>					(4)	0.00
Bought for € 861,724.54, Sold for US\$ 934,396.83			24.04.2024	929	(4)	0.00
Bought for SG\$ 35,057.84, Sold for US\$ 26,092.47			24.04.2024	26	0	0.00
Bought for US\$ 2,900.06, Sold for € 2,675.17			24.04.2024	3	0	0.00
Bought for US\$ 65.62, Sold for SG\$ 88.18			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>1,984,149</b>	<b>99.62</b>
Net other assets/(liabilities)					7,532	0.38
<b>Net assets</b>					<b>1,991,681</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					1,973,843	99.10
<b>Total Investment assets</b>					<b>1,973,843</b>	<b>99.10</b>
<b>Investment liabilities</b>						
Unrealised losses on forward currency contracts					(4)	0.00
<b>Total Investment liabilities</b>					<b>(4)</b>	<b>0.00</b>
<b>Total portfolio</b>					<b>1,973,839</b>	<b>99.10</b>
<b>Cash equivalents</b>					<b>10,310</b>	<b>0.52</b>
<b>Net other assets/(liabilities)</b>					<b>7,532</b>	<b>0.38</b>
<b>Net assets</b>					<b>1,991,681</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+1.0	+3.3	+5.6	+6.5	05.10.17
Class 'A' Distribution	+1.0	+3.3	+5.6	+6.5	05.10.17
Class 'A-H' Accumulation	-2.2	n/a	n/a	-1.6	28.02.23
Class 'C' Accumulation	+2.0	+4.4	+6.7	+7.6	05.10.17
Class 'C' Distribution	+2.0	+4.4	+6.7	+7.6	05.10.17
Class 'CI' Accumulation	+2.1	+4.4	+6.7	+7.6	05.10.17
Class 'J' Accumulation	+2.2	n/a	n/a	-0.4	11.03.22
Class 'J' Distribution	+2.2	n/a	n/a	-0.5	11.03.22
Class 'JI' Accumulation	+2.2	n/a	n/a	-0.4	11.03.22
Class 'JI' Distribution	+2.2	n/a	n/a	-0.4	11.03.22
Class 'JI-H' Accumulation	-1.0	n/a	n/a	-0.4	28.02.23
Class 'L' Accumulation	+2.3	+4.6	+6.9	+7.9	05.10.17
Class 'N' Accumulation	+1.3	n/a	n/a	-2.1	22.09.22
Class 'ZI' Distribution	+2.8	+5.2	n/a	+2.4	21.02.20
<b>Singapore dollar</b>					
Class 'A-H' Accumulation	-1.7	n/a	n/a	-3.5	17.12.21
Class 'A-H M' Distribution	-1.7	n/a	n/a	-3.5	17.12.21
<b>Sterling</b>					
Class 'C' Accumulation	-0.7	+4.5	+6.6	+6.9	05.10.17
Class 'C' Distribution	-0.7	+4.5	+6.6	+6.9	05.10.17
Class 'JI' Accumulation	-0.5	n/a	n/a	-2.6	22.09.22
Class 'JI' Distribution	-0.5	n/a	n/a	-2.5	22.09.22
Class 'L' Accumulation	-0.5	+4.7	+6.9	+7.9	22.01.18
<b>Swedish krona</b>					
Class 'N' Accumulation	+3.7	n/a	n/a	+1.8	22.09.22

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Swiss franc</b>					
Class 'A' Accumulation	-1.1	-0.9	+2.8	+3.9	05.10.17
Class 'A' Distribution	-1.0	-0.8	+2.8	+3.9	05.10.17
Class 'C' Accumulation	-0.1	+0.1	+3.8	+5.0	05.10.17
Class 'C' Distribution	0.0	+0.1	+3.8	+5.0	05.10.17
<b>US dollar</b>					
Class 'A' Accumulation	+0.2	+0.5	+4.8	+5.1	05.10.17
Class 'A' Distribution	+0.2	+0.5	+4.8	+5.1	05.10.17
Class 'A M' Distribution	+0.2	+0.5	+4.8	+5.1	05.10.17
Class 'A M F' Distribution	+0.2	n/a	n/a	-2.7	16.11.21
Class 'C' Accumulation	+1.2	+1.5	+5.8	+6.2	05.10.17
Class 'C' Distribution	+1.2	+1.5	+5.8	+6.2	05.10.17
Class 'CI' Accumulation	+1.2	+1.5	+5.9	+6.2	05.10.17
Class 'J' Accumulation	+1.4	n/a	n/a	-1.5	11.03.22
Class 'JI' Accumulation	+1.4	n/a	n/a	-1.4	11.03.22
Class 'JI' Distribution	+1.4	n/a	n/a	+4.7	22.09.22
Class 'L' Accumulation	+1.5	+1.7	+6.1	+6.5	05.10.17

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	44,076,830.166	15.0513	14.9009	16.1622	2.30
Class 'A' Distribution	12,172,648.452	12.4083	12.7290	14.2489	2.30
Class 'A-H' Accumulation	84,370.343	9.8286	10.0476	n/a	2.34
Class 'C' Accumulation	8,224,379.561	16.0719	15.7541	16.9176	1.30
Class 'C' Distribution	2,264,702.242	13.2450	13.4524	14.9053	1.30
Class 'CI' Accumulation	23,027,785.695	16.1167	15.7923	16.9516	1.26
Class 'J' Accumulation	1,000.000	9.9085	9.6974	10.3961	1.14
Class 'J' Distribution	1,001.000	9.2989	9.4338	10.3960	1.14
Class 'JI' Accumulation	84,507.752	9.9152	9.7007	10.3970	1.10
Class 'JI' Distribution	776,211.076	9.3063	9.4376	10.3969	1.10
Class 'JI-H' Accumulation	4,600.000	9.9619	10.0590	n/a	1.13
Class 'L' Accumulation	6,199,107.131	16.3353	15.9727	17.1092	1.05
Class 'N' Accumulation	1,000.000	9.6845	9.5635	n/a	2.04
Class 'ZI' Distribution	8,341,619.061	9.7398	9.8275	10.7881	0.52
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,001.000	9.2257	9.3824	10.5291	2.32
Class 'A-H M' Distribution	2,000.000	8.5868	9.0562	10.4838	2.32
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	176,469.436	15.4254	15.5338	16.0533	1.31
Class 'C' Distribution	147,840.287	12.7136	13.2537	14.1471	1.31
Class 'JI' Accumulation	4,600.000	9.6102	9.6593	n/a	1.11
Class 'JI' Distribution	4,601.000	9.1977	9.5827	n/a	1.11
Class 'L' Accumulation	2,350.000	16.0367	16.1092	16.6058	1.05
<b>Swedish krona</b>		SEK	SEK	SEK	
Class 'N' Accumulation	156,252.707	102.7491	99.1219	n/a	2.05

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A' Accumulation	23,220.000	12.8257	12.9657	14.4671	2.30
Class 'A' Distribution	1,000.000	10.5717	11.0850	12.7494	2.29
Class 'C' Accumulation	48,064.919	13.6825	13.6949	15.1293	1.30
Class 'C' Distribution	532,885.000	11.2762	11.7079	13.3338	1.31
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	19,727,778.833	13.8300	13.8011	15.2793	2.30
Class 'A' Distribution	385,372.806	11.3966	11.7944	13.4640	2.30
Class 'A M' Distribution	121,316.203	11.3526	11.7464	13.4129	2.30
Class 'A M F' Distribution	100.000	85.0692	88.3610	102.2024	2.30
Class 'C' Accumulation	390,980.998	14.7599	14.5831	15.9843	1.30
Class 'C' Distribution	212,536.758	12.1627	12.4623	14.0840	1.30
Class 'CI' Accumulation	1,883,060.658	14.7998	14.6176	16.0152	1.26
Class 'J' Accumulation	1,000.000	9.7023	9.5707	10.4738	1.14
Class 'JI' Accumulation	89,289.451	9.7086	9.5749	10.4749	1.11
Class 'JI' Distribution	4,600.000	10.2705	10.4994	n/a	1.11
Class 'L' Accumulation	49,075.172	15.0027	14.7869	16.1662	1.05

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	1,991,681	3,225,612	2,234,791
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>1,991,681</b>	<b>3,225,612</b>	<b>2,234,791</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Overall, it was a challenging period for global bond markets as central banks continued to keep interest rates elevated. Sentiment improved significantly amidst a broad market rally at the end of 2023, as inflation moderated, and as the market anticipated that major central banks were reaching the end of their tightening cycles. Indications of a dovish pivot in monetary policy from the US Federal Reserve sparked a powerful two-month rally in core government bonds, benefiting all segments of the fixed income market. The start of 2024 has been more challenging for bonds, as the strength of the US economy, coupled with hot inflation, resulted in investors dialling back expectations for the number of interest rate cuts this year.

Against this backdrop, the sub-fund underperformed its benchmark, the Bloomberg Global Aggregate Index, which returned 1.09% in euros and 0.49% in US dollars. Currency exposure was negative for relative returns; however, this was partially offset by actively managing the sub-fund's sensitivity to movements in interest rates (also known as duration, and measured in years). Our holdings in Mexican, Columbian, and Brazilian government bonds made strong positive contributions towards returns, while Japanese government bonds detracted.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

At the start of the period, we marginally increased the portfolio's duration, remaining underweight investment grade credit and selectively adding to assets on price weakness. For example, we took advantage of a selloff in South African rates and currency to add to South African government bonds.

In the summer, we de-risked by selling out of some investment grade names, including Italian energy utility, Enel, and UK property developer Hammerson. Similarly, we also reduced credit risk in our high yield holdings by

buying credit protection via credit default swap indices. We remained underweight credit as we felt the tight spreads offered little upside in the uncertain environment.

Towards the end of 2023, we took advantage of the weakness in longer dated yields and furthered the sub-fund's duration and yield curve steepener position by adding to 30-year US Treasuries, UK government bonds (gilts) and German bunds through trimming shorter dated allocations.

As the period under review came to an end, we continued to reduce credit risk and increased protection through CDX IG to reduce overall investment grade risk.

### Outlook

Looking ahead, we think the main opportunity remains in duration and retain a long position here. We believe that the more likely scenario for this year is not a soft landing, but a slowdown followed by central banks cutting interest rates. Therefore, we want to be exposed to government bonds that have longer duration, which we would expect to perform well in such a scenario.

### Jim Leaviss and Eva Sun-Wai

Co-sub-fund managers

On 5 February 2024 Eva Sun-Wai was appointed co-sub-fund manager. Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

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## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>524,400</b>	<b>94.52</b>
<b>Debt securities</b>					<b>526,814</b>	<b>94.95</b>
<b>'AAA' credit rated bonds</b>					<b>102,476</b>	<b>18.47</b>
Australia (Commonwealth of) 1.75%	25,038,000	AU\$	21.06.2051		9,513	1.71
Blackrock European CLO XII FRN	3,000,000	€	17.01.2035		3,197	0.58
Canada (Federal Republic of) 3.75%	8,183,000	CA\$	01.02.2025		5,971	1.08
Germany (Federal Republic of) 0.5%	3,999,957	€	15.02.2025		4,209	0.76
Germany (Federal Republic of) 1.8%	2,342,754	€	15.08.2053		2,178	0.39
Germany (Federal Republic of) 2.5%	11,000,000	€	13.03.2025		11,768	2.12
Germany (Federal Republic of) I/L 0.1%	7,500,000	€	15.04.2026		9,889	1.78
Germany (Federal Republic of) I/L 0.5%	7,059,896	€	15.04.2030		9,597	1.73
Hops Hill No. 1 FRN	865,888	£	27.05.2054		1,094	0.20
International Finance 6.3%	376,500,000	INR	25.11.2024		4,499	0.81
Jubilee Place FRN	1,126,945	€	17.07.2058		1,218	0.22
Margay CLO I FRN	1,600,000	€	15.07.2036		1,735	0.31
Netherlands (Kingdom of) 2.5%	5,000,000	€	15.07.2033		5,359	0.96
New Zealand (Kingdom of) 0.5%	15,514,000	NZD	15.05.2026		8,493	1.53
New Zealand (Kingdom of) 3.5%	12,375,000	NZD	14.04.2033		6,813	1.23
Norway (Kingdom of) 1.75%	71,433,000	NOK	13.03.2025		6,433	1.16
Norway (Kingdom of) 1.75%	64,469,000	NOK	17.02.2027		5,639	1.02
Precise Mortgage Funding FRN	105,779	£	16.10.2056		134	0.02
RRE 5 Loan Management FRN	2,757,000	€	15.01.2037		2,926	0.53
Voya Euro CLO III FRN	1,691,000	€	15.04.2033		1,811	0.33
<b>'AA' credit rated bonds</b>					<b>199,258</b>	<b>35.91</b>
Apple 1.125%	2,000,000	US\$	11.05.2025		1,916	0.35
Apple 2.65%	3,144,000	US\$	08.02.2051		2,063	0.37
Bank of America FRN	1,331,000	£	27.04.2031		1,570	0.28
Belgium (Kingdom of) 0.35%	8,019,367	€	22.06.2032		7,127	1.28
Deutsche Bahn Finance 3.625%	808,000	€	18.12.2037		900	0.16
France (Republic of) 3%	1,450,000	€	25.05.2054		1,476	0.27
Metropolitan Life Global Funding I FRN	1,068,000	US\$	21.03.2025		1,074	0.19
Metropolitan Life Global Funding I 0.375%	2,000,000	€	09.04.2024		2,156	0.39
Nestlé Finance International 3.25%	1,184,000	€	15.01.2031		1,296	0.23

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
Nestlé Holdings 2.125%	2,182,000	£	04.04.2027		2,574	0.46
New York Life Global Funding 0.25%	3,638,000	€	23.01.2027		3,617	0.65
New York Life Global Funding 0.75%	1,416,000	£	14.12.2028		1,516	0.27
New York Life Global Funding 1.25%	1,852,000	£	17.12.2026		2,139	0.39
UK Gilt 3.5%	8,298,856	£	22.10.2025		10,313	1.86
UK Gilt 3.75%	2,997,430	£	22.07.2052		3,374	0.61
UK Gilt 3.75%	4,750,000	£	22.10.2053		5,321	0.96
UK Gilt 4.125%	6,444,795	£	29.01.2027		8,131	1.47
UK Gilt I/L 0.125%	5,600,000	£	22.03.2046		8,387	1.51
US Treasury Bond 3%	29,722,000	US\$	15.11.2044		23,761	4.28
US Treasury Bond 3%	5,708,000	US\$	15.02.2047		4,482	0.81
US Treasury Bond 3.375%	21,410,700	US\$	15.08.2042		18,462	3.33
US Treasury Bond I/L 0.75%	14,080,900	US\$	15.02.2045		14,112	2.54
US Treasury Bond I/L 1%	6,679,600	US\$	15.02.2049		6,402	1.15
US Treasury Bond I/L 2.375%	20,331,800	US\$	15.01.2027		31,338	5.65
US Treasury Note 0.25%	9,313,500	US\$	15.06.2024		9,216	1.66
US Treasury Note 3%	4,271,900	US\$	15.08.2052		3,309	0.60
US Treasury Note 4.125%	20,000,000	US\$	15.11.2032		19,848	3.58
US Treasury Note I/L 0.125%	3,000,000	US\$	15.04.2026		3,378	0.61
<b>'A' credit rated bonds</b>					<b>58,361</b>	<b>10.52</b>
Allianz FRN	600,000	€	31.12.2099		510	0.09
Banco Bilbao Vizcaya Argentaria 1.75%	1,700,000	€	26.11.2025		1,781	0.32
Bank of America FRN	792,000	US\$	23.01.2035		795	0.14
Banque Fédérative du Crédit Mutuel 0.625%	1,700,000	€	21.02.2031		1,501	0.27
BNP Paribas 2.1%	1,400,000	€	07.04.2032		1,344	0.24
BNP Paribas 3.375%	1,243,000	£	23.01.2026		1,520	0.27
BPCE 0.25%	2,000,000	€	15.01.2026		2,036	0.37
Chile (Republic of) 4.7%	2,400,000,000	CLP	01.09.2030		2,305	0.42
Comcast 0%	2,384,000	€	14.09.2026		2,369	0.43
Comcast 5.5%	1,040,000	£	23.11.2029		1,373	0.25

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Comcast 5.5%	789,000	US\$	15.11.2032		817	0.15
Coventry Building Society FRN	1,072,000	£	07.11.2027		1,398	0.25
Coventry Building Society FRN	1,047,000	£	12.03.2030		1,335	0.24
ING Groep FRN	420,000	US\$	28.03.2033		389	0.07
International Business Machines 1.7%	1,250,000	US\$	15.05.2027		1,135	0.20
Japan (Kingdom of) 0.4%	1,114,150,000	¥	20.03.2056		4,924	0.89
John Deere Bank 5.125%	1,261,000	£	18.10.2028		1,631	0.29
JPMorgan Chase FRN	3,000,000	US\$	19.11.2026		2,798	0.50
JPMorgan Chase FRN	3,000,000	€	25.07.2031		2,789	0.50
Ludgate Funding FRN	185,254	€	01.01.2061		193	0.04
MetLife 5%	202,000	US\$	15.07.2052		190	0.03
Morgan Stanley FRN	1,512,000	€	07.02.2031		1,369	0.25
National Gas Transmission 5.75%	581,000	£	05.04.2035		754	0.14
Nationwide Building Society 2%	1,615,000	€	28.04.2027		1,670	0.30
Nationwide Building Society 4.85%	2,500,000	US\$	27.07.2027		2,474	0.45
PepsiCo 0.25%	2,141,000	€	06.05.2024		2,301	0.42
Société Générale 4.677%	741,000	US\$	15.06.2027		730	0.13
Spain (Kingdom of) 1%	1,401,000	€	30.07.2042		999	0.18
Spain (Kingdom of) 1.9%	2,290,000	€	31.10.2052		1,691	0.31
Spain (Kingdom of) 2.55%	7,960,000	€	31.10.2032		8,273	1.49
UBS Group FRN	1,316,000	US\$	22.09.2029		1,357	0.25
Walt Disney 3.8%	1,031,000	US\$	13.05.2060		796	0.14
Wolters Kluwer 0.75%	1,161,000	€	03.07.2030		1,079	0.19
Yorkshire Water Finance 5.25%	1,394,000	£	28.04.2030		1,735	0.31
<b>'BBB' credit rated bonds</b>					<b>140,723</b>	<b>25.36</b>
AIB Group FRN	1,022,000	US\$	13.09.2029		1,064	0.19
Barclays FRN	2,500,000	US\$	02.11.2033		2,774	0.50
BPCE 6.125%	1,700,000	£	24.05.2029		2,202	0.40
Bulgaria (Republic of) 4.625%	2,206,000	€	23.09.2034		2,561	0.46
CBRE Global Investors Open-Ended Funds 0.5%	1,473,000	€	27.01.2028		1,392	0.25

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Colombia (Republic of) 7.75%	22,583,900,000	COP	18.09.2030		5,333	0.96
Colombia (Republic of) 9.75%	7,400,000,000	COP	26.07.2028		1,811	0.33
Coöperatieve Rabobank FRN	1,400,000	€	31.12.2099		1,424	0.26
Crelan FRN	1,400,000	€	23.01.2032		1,568	0.28
Croatia (Republic of) 1.125%	1,691,000	€	04.03.2033		1,526	0.28
Deutsche Bank FRN	2,500,000	£	12.12.2030		3,195	0.58
Électricité de France 4.625%	1,300,000	€	25.01.2043		1,462	0.26
Électricité de France 5.5%	2,100,000	£	25.01.2035		2,606	0.47
Électricité de France 5.7%	820,000	US\$	23.05.2028		832	0.15
Engie 5%	1,600,000	£	01.10.2060		1,875	0.34
Goldman Sachs Group 4.25%	2,042,000	£	29.01.2026		2,542	0.46
Hiscox 6%	1,045,000	£	22.09.2027		1,343	0.24
HSBC Holdings 7%	1,200,000	£	07.04.2038		1,668	0.30
Iccrea Banca FRN	927,000	€	05.02.2030		1,008	0.18
Indonesia (Republic of) 8.25%	122,021,000,000	IDR	15.05.2036		8,620	1.55
Indonesia (Republic of) 8.375%	67,560,000,000	IDR	15.03.2034		4,779	0.86
Italy (Republic of) 3.25%	3,000,000	€	01.03.2038		3,008	0.54
Italy (Republic of) 5.75%	6,370,000	€	01.02.2033		8,001	1.44
Lowe's 4.25%	882,000	US\$	01.04.2052		719	0.13
Malaysia (Federation of) 4.254%	13,752,000	MYR	31.05.2035		2,992	0.54
Mexico (United Mexican States) 4.4899%	1,584,000	€	25.05.2032		1,739	0.31
Mexico (United Mexican States) 5%	130,000,000	MXN	06.03.2025		7,460	1.34
Mexico (United Mexican States) 5.625%	1,770,000	£	19.03.2114		1,716	0.31
Mexico (United Mexican States) 8.5%	42,362,200	MXN	18.11.2038		2,386	0.43
Mexico (United Mexican States) 10%	61,500,000	MXN	05.12.2024		3,685	0.66
Mitchells & Butlers Finance FRN	795,478	US\$	15.12.2030		747	0.13
Mitchells & Butlers Finance FRN	489,029	£	15.12.2033		536	0.10
National Grid 0.25%	2,207,000	€	01.09.2028		2,071	0.37
Nationwide Building Society FRN	1,831,000	US\$	18.10.2027		1,879	0.34
Nationwide Building Society FRN	712,000	£	07.12.2027		917	0.17

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
NatWest Group FRN	1,239,000	US\$	18.05.2029		1,213	0.22
Northumbrian Water Finance 6.375%	918,000	£	28.10.2034		1,234	0.22
Oracle 6.25%	2,000,000	US\$	09.11.2032		2,136	0.38
Peru (Republic of) 6.15%	21,500,000	PEN	12.08.2032		5,434	0.98
Peru (Republic of) 6.9%	21,500,000	PEN	12.08.2037		5,524	1.00
Philippines (Republic of) 6.25%	212,000,000	PHP	14.01.2036		3,531	0.64
Prosus 1.288%	1,912,000	€	13.07.2029		1,749	0.32
PVH 4.625%	1,165,000	US\$	10.07.2025		1,149	0.21
Romania (Republic of) 1.75%	1,320,000	€	13.07.2030		1,170	0.21
Romania (Republic of) 3.625%	3,074,000	US\$	27.03.2032		2,644	0.48
Romania (Republic of) 6.625%	1,519,000	€	27.09.2029		1,775	0.32
Severn Trent Utilities Finance 2.625%	504,000	£	22.02.2033		524	0.09
Severn Trent Utilities Finance 4.625%	490,000	£	30.11.2034		591	0.11
Severn Trent Utilities Finance 5.25%	775,000	£	04.04.2036		986	0.18
Smurfit Kappa Treasury 1.5%	1,467,000	€	15.09.2027		1,478	0.27
Société Générale FRN	1,500,000	€	24.11.2030		1,534	0.28
Southern Water Services Finance 3%	1,700,000	£	28.05.2037		1,546	0.28
Suez 6.625%	1,300,000	£	05.10.2043		1,838	0.33
Takeda Pharmaceutical 1.375%	1,635,000	€	09.07.2032		1,504	0.27
Thames Water Utilities Finance 3.5%	1,420,000	£	25.02.2028		1,577	0.28
Thames Water Utilities Finance 4.375%	1,459,000	€	18.01.2031		1,468	0.26
Uruguay (Republic of) 3.875%	86,505,957	UYU	02.07.2040		3,202	0.58
Uruguay (Republic of) 4.375%	21,886,844	UYU	15.12.2028		1,603	0.29
Uruguay (Republic of) 8.25%	35,616,438	UYU	21.05.2031		910	0.16
Verizon Communications 0.75%	1,480,000	€	22.03.2032		1,302	0.23
Warnermedia Holdings 4.054%	662,000	US\$	15.03.2029		619	0.11
Wessex Water Services Finance 5.125%	1,142,000	£	31.10.2032		1,438	0.26
Yorkshire Power Finance 7.25%	1,180,000	£	04.08.2028		1,603	0.29
<b>'BB' credit rated bonds</b>					<b>23,804</b>	<b>4.29</b>
Brazil (Federal Republic of) 10%	33,469,000	BRL	01.01.2025		6,703	1.21

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Brazil (Federal Republic of) 10%	18,128,000	BRL	01.01.2029		3,554	0.64
Dominican (Republic of) 5.3%	2,000,000	US\$	21.01.2041		1,705	0.31
Dominican (Republic of) 6.85%	1,029,000	US\$	27.01.2045		1,023	0.18
Paraguay (Republic of) 5.6%	1,319,000	US\$	13.03.2048		1,200	0.22
Paraguay (Republic of) 6.1%	1,317,000	US\$	11.08.2044		1,281	0.23
Serbia (Republic of) 1%	1,235,000	€	23.09.2028		1,133	0.20
Serbia (Republic of) 1.65%	1,363,000	€	03.03.2033		1,100	0.20
South Africa (Republic of) 9%	158,022,774	ZAR	31.01.2040		6,105	1.10
<b>'CCC' credit rated bonds</b>					<b>2,073</b>	<b>0.37</b>
Argentina (Republic of) 6.375%	1,800,982	US\$	01.09.2037		736	0.13
Bausch Health 5%	1,500,000	US\$	30.01.2028		673	0.12
Ukraine (Republic of) 7.75%	2,000,000	US\$	01.09.2028		664	0.12
<b>'CC' credit rated bonds</b>						
Argentina (Republic of) 15.5%	65,000,000	ARS	17.10.2026		<b>40</b>	<b>0.01</b>
<b>'D' credit rated bonds</b>						
Silverback Finance 3.1261% <sup>a</sup>	1,838,875	€	25.02.2037		<b>79</b>	<b>0.02</b>
<b>Debt derivatives</b>					<b>(2,414)</b>	<b>(0.43)</b>
<b>Credit default swaps</b>					<b>(2,462)</b>	<b>(0.44)</b>
Markit CDX Emerging Markets Series 39 5 Year Jun 2028	18,700,000	US\$		1,837,631	319	0.06
Markit CDX Emerging Markets Series 40 5 Year Dec 2028	6,300,000	US\$		614,559	149	0.03
Markit CDX North American High Yield Series 39 5 Year Dec 2027	12,740,000	US\$		1,368,403	(957)	(0.17)
Markit CDX North American Investment Grade Series 39 5 Year Dec 2027	13,000,000	US\$		481,936	(286)	(0.05)
Markit CDX North American Investment Grade Series 41 5 Year Dec 2028	18,000,000	US\$		836,694	(415)	(0.07)
Markit iTraxx Europe Crossover Series 38 5 Year Dec 2027	5,919,960	€		1,387,070	(610)	(0.11)
Markit iTraxx Europe Senior Financials Series 38 5 Year Dec 2027	12,500,000	€		607,760	(260)	(0.05)

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Credit default swaps</b> (continued)						
Markit iTraxx Europe Series 38 5 Year Dec 2027	6,300,000	€		262,916	(148)	(0.03)
Markit iTraxx Europe Sub Financials Series 38 5 Year Dec 2027	32,000,000	€		2,718,280	(254)	(0.05)
<b>Interest rate swaps</b>						
Pay 0.2181% Receive Var. Oct 2025	4,400,000,000	¥		29,069	<b>(17)</b>	<b>0.00</b>
<b>Interest rate futures</b>					<b>65</b>	<b>0.01</b>
Euro OAT Futures	125	€	06.06.2024	137	88	0.02
US Treasury Notes 30 year Futures	89	US\$	18.06.2024	91	69	0.01
US Ultra Bond Futures	46	US\$	18.06.2024	49	25	0.00
US Treasury Notes 2 year Futures	445	US\$	28.06.2024	890	(117)	(0.02)
<b>Currency</b>					<b>(3,311)</b>	<b>(0.60)</b>
<b>Forward currency contracts</b>					<b>(3,311)</b>	<b>(0.60)</b>
Bought for CA\$ 7,650,000.00, Sold for US\$ 5,699,424.00			30.04.2024	5,626	(71)	(0.01)
Bought for € 44,143,246.24, Sold for £ 37,727,638.99			30.04.2024	95,190	67	0.01
Bought for € 1,601,274.58, Sold for SEK 17,900,000.00			30.04.2024	3,401	53	0.01
Bought for € 30,869,267.39, Sold for US\$ 33,521,030.07			30.04.2024	33,291	(194)	(0.04)
Bought for £ 27,764,176.58, Sold for € 32,444,267.39			30.04.2024	70,007	(5)	0.00
Bought for ¥ 4,000,000,000.00, Sold for € 25,262,552.13			30.04.2024	53,671	(731)	(0.13)
Bought for ¥ 1,770,000,000.00, Sold for £ 9,553,617.74			30.04.2024	23,743	(306)	(0.06)
Bought for ¥ 10,335,000,000.00, Sold for US\$ 70,921,109.79			30.04.2024	68,279	(2,341)	(0.42)
Bought for SEK 112,900,000.00, Sold for € 9,947,894.71			30.04.2024	21,286	(171)	(0.03)
Bought for US\$ 33,545,126.62, Sold for € 30,869,267.39			30.04.2024	33,291	218	0.04
Bought for US\$ 55,674,631.42, Sold for £ 43,851,177.39			30.04.2024	55,307	360	0.06
Bought for US\$ 5,051,598.12, Sold for ¥ 736,691,224.00			30.04.2024	4,867	163	0.03
Bought for US\$ 13,176,465.03, Sold for MXN 229,650,000.00			30.04.2024	13,852	(615)	(0.11)
Bought for US\$ 13,298,602.50, Sold for NZD 21,750,000.00			30.04.2024	12,967	331	0.06
Bought for US\$ 4,766,570.45, Sold for PEN 18,000,000.00			30.04.2024	4,838	(69)	(0.01)
<b>Portfolio of investments</b>					<b>521,089</b>	<b>93.92</b>

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Cash equivalents</b>					<b>7,958</b>	<b>1.43</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	7,958,000	US\$			<b>7,958</b>	<b>1.43</b>
<b>Share class hedging</b>					<b>(415)</b>	<b>(0.07)</b>
Bought for CHF 57,902.91, Sold for US\$ 64,701.77			24.04.2024	64	0	0.00
Bought for € 82,297,611.97, Sold for US\$ 89,238,316.06			24.04.2024	88,754	(409)	(0.07)
Bought for £ 2,357,638.20, Sold for US\$ 2,980,231.50			24.04.2024	2,973	(7)	0.00
Bought for SG\$ 85,940.20, Sold for US\$ 63,962.63			24.04.2024	64	0	0.00
Bought for US\$ 1,480.09, Sold for CHF 1,324.90			24.04.2024	2	0	0.00
Bought for US\$ 306,838.47, Sold for € 282,991.42			24.04.2024	305	1	0.00
Bought for US\$ 67,187.74, Sold for £ 53,242.65			24.04.2024	67	0	0.00
Bought for US\$ 149.94, Sold for SG\$ 201.49			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>528,632</b>	<b>95.28</b>
Net other assets/(liabilities)					26,188	4.72
<b>Net assets</b>					<b>554,820</b>	<b>100.00</b>

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Debt securities	526,814	94.95
Swap contracts	468	0.09
Unrealised gains on futures contracts	182	0.03
Unrealised gains on forward currency contracts	1,193	0.21
<b>Total Investment assets</b>	<b>528,657</b>	<b>95.28</b>
<b>Investment liabilities</b>		
Swap contracts	(2,947)	(0.53)
Unrealised losses on futures contracts	(117)	(0.02)
Unrealised losses on forward currency contracts	(4,919)	(0.88)
<b>Total Investment liabilities</b>	<b>(7,983)</b>	<b>(1.43)</b>
<b>Total portfolio</b>	<b>520,674</b>	<b>93.85</b>
<b>Cash equivalents</b>	<b>7,958</b>	<b>1.43</b>
<b>Net other assets/(liabilities)</b>	<b>26,188</b>	<b>4.72</b>
<b>Net assets</b>	<b>554,820</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

The accompanying notes to the financial statements are an integral part of these financial statements.



# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000	Collateral held as security US\$'000
Bank of America Merrill Lynch	0	182	0	0
Barclays Bank London	0	0	12,195	0
Citigroup Global Markets Limited	494	0	0	0
HSBC Bank Plc	415	0	0	0
Standard Chartered Bank	67	0	0	0
State Street Bank and Trust Company	1	0	0	2,459
UBS AG London	216	0	0	2,731

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

# Financial highlights

## Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	-1.2	-2.6	-0.2	+2.6	16.12.11	26.10.18
Class 'A' Distribution	-1.2	-2.6	-0.2	+1.9	12.07.13	26.10.18
Class 'A-H' Accumulation	-4.1	-7.5	-3.2	-0.7	16.12.11	26.10.18
Class 'A-H' Distribution	-4.0	-7.4	-3.2	-2.0	12.07.13	26.10.18
Class 'B' Accumulation	-1.7	-3.1	-0.7	+2.1	16.12.11	26.10.18
Class 'B' Distribution	-1.7	-3.1	-0.7	+0.2	11.09.15	26.10.18
Class 'B-H' Accumulation	-4.6	-7.9	-3.7	-1.2	16.12.11	26.10.18
Class 'B-H' Distribution	-4.5	-7.9	-3.7	-2.5	11.09.15	26.10.18
Class 'C' Accumulation	-0.6	-2.1	+0.4	+3.2	16.12.11	26.10.18
Class 'C' Distribution	-0.6	-2.0	+0.4	+2.6	08.08.14	26.10.18
Class 'C-H' Accumulation	-3.5	-6.9	-2.6	-0.1	16.12.11	26.10.18
Class 'C-H' Distribution	-3.5	-6.9	-2.6	-1.4	07.08.15	26.10.18
Class 'CI' Accumulation	-0.6	-2.0	+0.4	+3.3	16.12.11	06.11.18
Class 'CI-H' Accumulation	-3.4	-6.8	-2.6	-0.1	16.12.11	06.11.18
Class 'JI-H' Accumulation	-3.3	-6.7	n/a	-3.2	n/a	18.10.19
Class 'JI-H' Distribution	-3.3	-6.7	n/a	-3.2	n/a	18.10.19
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	-3.7	-6.1	-1.7	-0.4	07.08.15	26.10.18
Class 'A-H' Distribution	-3.7	-6.1	-1.7	-0.4	07.08.15	26.10.18
Class 'C-H' Accumulation	-3.1	-5.6	-1.1	+0.2	07.08.15	26.10.18
Class 'C-H' Distribution	-3.1	-5.6	-1.1	+0.2	07.08.15	26.10.18
<b>Sterling</b>						
Class 'C' Accumulation	-3.3	-1.9	n/a	-1.1	n/a	05.07.19
Class 'C' Distribution	-3.3	-1.9	n/a	-1.0	n/a	05.07.19
Class 'C-H' Distribution	-2.2	-5.8	-1.6	-1.3	n/a	22.02.19
Class 'CI' Accumulation	-3.2	-1.9	n/a	-1.0	n/a	05.07.19
Class 'CI' Distribution	-3.2	-1.9	n/a	-1.0	n/a	05.07.19
Class 'CI-H' Distribution	-2.1	-5.7	-1.5	-1.3	n/a	14.03.19
Class 'JI-H' Distribution	-2.0	-5.6	n/a	-2.1	n/a	18.10.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Swiss franc</b>						
Class 'A' Accumulation	-3.2	-6.6	-2.9	0.0	28.09.12	26.10.18
Class 'A-H' Accumulation	-6.1	-8.3	-4.0	-1.7	28.09.12	26.10.18
Class 'C' Accumulation	-2.7	-6.0	-2.3	+0.6	28.09.12	26.10.18
Class 'C-H' Accumulation	-5.5	-7.8	-3.3	-1.1	28.09.12	26.10.18
<b>US dollar</b>						
Class 'A' Accumulation	-2.0	-5.3	-1.0	+2.6	01.05.09	26.10.18
Class 'A' Distribution	-2.0	-5.3	-1.1	+4.5	07.08.15	26.10.18
Class 'C' Accumulation	-1.4	-4.8	-0.5	+1.7	16.12.11	26.10.18
Class 'C' Distribution	-1.4	-4.8	-0.5	+2.4	07.08.15	26.10.18
Class 'CI' Accumulation	-1.4	-4.7	-0.4	+1.7	16.12.11	06.11.18
Class 'JI' Accumulation	-1.3	-4.6	n/a	-1.1	n/a	18.10.19
Class 'JI' Distribution	-1.3	-4.6	n/a	-1.2	n/a	18.10.19

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Global Macro Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Macro Bond Fund is a UK authorised sub-fund which launched on 15 October 1999 and its non-Sterling share classes merged into M&G (Lux) Global Macro Bond Fund on 26 October 2018.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	8,638,210.803	13.7555	13.9263	14.8304	1.47
Class 'A' Distribution	3,019,650.874	11.0120	11.6266	12.7046	1.47
Class 'A-H' Accumulation	1,357,679.494	9.1677	9.5574	10.7620	1.49
Class 'A-H' Distribution	570,118.608	7.3586	8.0012	9.2382	1.49
Class 'B' Accumulation	3,513,085.606	12.9311	13.1565	14.0810	1.96
Class 'B' Distribution	599,684.927	8.3194	8.8276	9.6946	1.97
Class 'B-H' Accumulation	271,501.717	8.6291	9.0406	10.2289	1.98
Class 'B-H' Distribution	153,693.182	6.6018	7.2143	8.3716	1.99
Class 'C' Accumulation	3,181,727.978	14.8070	14.9020	15.7742	0.87
Class 'C' Distribution	69,820.423	11.8562	12.4427	13.5135	0.87
Class 'C-H' Accumulation	205,739.780	9.8937	10.2521	11.4862	0.88
Class 'C-H' Distribution	1,245,869.817	8.0216	8.6687	9.9518	0.89
Class 'CI' Accumulation	8,383,586.079	10.8581	10.9234	11.5586	0.83
Class 'CI-H' Accumulation	5,475,077.267	9.0726	9.3965	10.5128	0.85
Class 'JI-H' Accumulation	4,610.000	8.6581	8.9581	10.0131	0.75
Class 'JI-H' Distribution	15,068.000	7.7676	8.3830	9.6106	0.75
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,325.604	9.6720	10.0415	11.0049	1.49
Class 'A-H' Distribution	2,483.933	7.8803	8.5345	9.5975	1.48
Class 'C-H' Accumulation	2,284.953	10.1858	10.5122	11.4514	0.89
Class 'C-H' Distribution	2,454.415	8.2493	8.8807	9.9275	0.88

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Sterling</b>		<b>£</b>	<b>£</b>	<b>£</b>	
Class 'C' Accumulation	6,233.592	9.5073	9.8292	10.0133	0.87
Class 'C' Distribution	142,224.722	8.5356	9.2021	9.6198	0.87
Class 'C-H' Distribution	21,471.167	8.3040	8.8548	10.0312	0.89
Class 'CI' Accumulation	4,688.302	9.5233	9.8419	10.0224	0.83
Class 'CI' Distribution	6,436.000	8.5513	9.2153	9.6289	0.83
Class 'CI-H' Distribution	4,650.909	8.2676	8.8127	9.9549	0.85
Class 'JI-H' Distribution	255,320.745	8.1498	8.6757	9.7909	0.75
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A' Accumulation	1,405.328	10.0304	10.3644	11.3545	1.46
Class 'A-H' Accumulation	2,403.028	8.1950	8.7255	9.8780	1.48
Class 'C' Accumulation	907,850.317	10.7323	11.0293	12.0109	0.87
Class 'C-H' Accumulation	4,198.292	8.7806	9.2880	10.4574	0.89
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	1,538,251.378	14.6795	14.9798	16.2824	1.46
Class 'A' Distribution	135,308.963	11.9608	12.7289	14.1971	1.47
Class 'C' Accumulation	34,668.911	12.2619	12.4378	13.4374	0.86
Class 'C' Distribution	64,238.452	9.9332	10.5080	11.6492	0.87
Class 'CI' Accumulation	5,295,072.000	10.2652	10.4094	11.2427	0.83
Class 'JI' Accumulation	7,438.000	9.4985	9.6219	10.3817	0.73
Class 'JI' Distribution	360,680.000	8.5228	9.0033	9.9674	0.73

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	554,820	668,335	806,118
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>554,820</b>	<b>668,335</b>	<b>806,118</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The M&G (Lux) Global Maxima Fund delivered a positive total return (the combination of capital growth and income) across all its share classes, but lagged its benchmark the MSCI ACWI Net Return Index, which returned 23.95% in euros and 23.22% in US dollars.

The 12-month period under review saw strong gains for stockmarkets around the world, particularly in the second half. Investor sentiment was bolstered by the easing of inflationary pressures, optimism about forthcoming rate cuts by central banks and a potential economic 'soft landing'. The technology sector performed very strongly, with companies seen as beneficiaries of the growth in artificial intelligence the standout performers.

The sub-fund is an active equity fund, which uses machine-learning models – a type of artificial intelligence – to select stocks. Oversight of stock selections is provided by the sub-fund management team, and the decision whether to include a security in the portfolio is taken by the sub-fund manager.

The term 'artificial intelligence' refers to the broad study of developing algorithms to imitate human cognitive functions (such as pattern recognition). Machine learning is a subset of artificial intelligence that does not rely on a pre-defined set of rules developed by humans in order to make decisions or predictions. Rather, machine learning techniques 'learn' these rules from historic data and apply these learned rules to the real world to assist decision-making.

Over time, the success of our machine-learning models is determined by the percentage of stocks they pick that outperform (hit rate), along with the magnitude of the outperformance (skew). The skew is measured as the difference between the average outperformance of the winning stock bets and the average underperformance of the losing stock bets.

The sub-fund's hit rate was in was around 48%, below the expected 50% threshold, resulting in

underperformance versus its benchmark. Skew was modestly positive, partially offsetting the drag from the poor hit rate.

While the sub-fund is constrained to limit active industry and country exposures, style exposure can vary over time and have an impact on returns. Over the course of the review period, the sub-fund's style positioning was a modest drag on performance, with exposure to smaller size companies being the main detractor.

### Investment activity

We apply a systematic bottom-up stock picking approach, driven by quantitative analysis of individual companies. We use a proprietary database and proprietary machine-learning models to help identify stocks that we expect to outperform the global equities market. The sub-fund management team has experience of managing quantitative equity strategies and is supported by a team of data scientists.

The methodology uses vast amounts of data about companies to establish whether there is an identifiable pattern to outperforming stocks. Rather than relying on individuals to discover investment opportunities, the approach relies on machine learning for idea generation.

From the sub-fund's investable universe of global equities, each stock is assessed on its likelihood of outperforming the global equity market. We then use our judgement, along with feedback from our in-house team of research analysts, to determine which stocks to include in the sub-fund. The result is a high-conviction portfolio of between 50 and 100 stocks.

As part of the portfolio construction process, differences between the sub-fund's country and industry weightings compared to those of the index are constrained.

There were no material changes to the portfolio from a country or industry exposure perspective over the review period. The portfolio has a positive exposure to smaller size, high volatility and cheap value styles, while

# Investment review

maintaining relatively neutral exposures to growth and momentum styles.

## Outlook

The past two years have seen a significant repricing of financial assets as the market grapples with the changing macroeconomic backdrop. Many of the factors that enabled stable and robust economic growth over the decades leading up to the COVID-19 pandemic remain in place, such as rapid technological advancement and a generally capital-friendly regime, in developed markets.

However, there are other factors, especially on the policy front pertaining to Western governments' use of fiscal spending and rising societal goals, which can have the effect of dampening some of the other disinflationary forces at play. While bond markets have adjusted to reflect the potential for structurally higher inflation, stockmarkets have taken a benign view of any such regime shift that might affect future corporate profitability.

There remains a possibility of renewed pressure on stockmarket multiples similar to the events witnessed in 2022, should investors start to believe that interest rate pressure can have a more lasting effect on economic growth.

In such an environment, a strategy such as that employed in the M&G (Lux) Global Maxima Fund, which is able to focus on mispricing opportunities independent of country, industry or value/growth styles, can be quite attractive in generating differentiated returns.

## Gautam Samarth

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>231,248</b>	<b>99.31</b>
<b>United Kingdom</b>					<b>3,369</b>	<b>1.45</b>
Burberry Group	84,493	£			1,304	0.56
Wise 'A'	177,630	£			2,065	0.89
<b>Denmark</b>						
Genmab	7,498	DKK			<b>2,261</b>	<b>0.97</b>
<b>Finland</b>						
Neste	77,766	€			<b>2,077</b>	<b>0.89</b>
<b>France</b>						
Worldline	193,839	€			<b>2,353</b>	<b>1.01</b>
<b>Germany</b>						
Thyssenkrupp	252,619	€			<b>1,359</b>	<b>0.58</b>
<b>Ireland</b>					<b>13,247</b>	<b>5.69</b>
AIB Group	426,515	€			2,142	0.92
M&G Global Property Fund USD Class 'G' <sup>a</sup>	1,771,000	US\$			1,600	0.69
SPDR Dow Jones Global Real Estate UCITS ETF	106,182	US\$			3,465	1.49
Vanguard FTSE All-World UCITS ETF USD Accumulating	47,374	US\$			6,040	2.59
<b>Netherlands (The)</b>						
ASML Holding	2,270	€			<b>2,194</b>	<b>0.94</b>
<b>Russia</b>						
Moscow Exchange MICEX-RTS <sup>b</sup>	447,723	RUB			<b>0</b>	<b>0.00</b>
<b>Turkey</b>						
Migros Ticaret	190,075	TRY			<b>2,451</b>	<b>1.05</b>
<b>United States</b>					<b>141,880</b>	<b>60.93</b>
ACADIA Pharmaceuticals	85,794	US\$			1,558	0.67
ACM Research 'A'	70,037	US\$			2,029	0.87
Alphabet 'A'	17,734	US\$			2,677	1.15
Amazon.com	36,581	US\$			6,579	2.83
Amicus Therapeutics	183,010	US\$			2,170	0.93
Appfolio 'A'	10,212	US\$			2,528	1.09
Apple	36,290	US\$			6,268	2.69
Associated Bank	100,724	US\$			2,139	0.92

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
Axon Enterprise	7,934	US\$			2,505	1.08
Axos Financial	41,845	US\$			2,227	0.96
Bank OZK	51,667	US\$			2,348	1.01
BellRing Brands	38,404	US\$			2,262	0.97
Blue Owl Capital	121,043	US\$			2,277	0.98
Braze 'A'	42,067	US\$			2,126	0.91
Chipotle Mexican Grill Inc	873	US\$			2,557	1.10
Citizens Financial Group	65,848	US\$			2,356	1.01
Dexcom	16,017	US\$			2,259	0.97
Duolingo	8,993	US\$			1,998	0.86
Envista Holdings	75,064	US\$			1,633	0.70
Extreme Networks	96,881	US\$			1,119	0.48
First Horizon	146,315	US\$			2,237	0.96
Fox Factory Holding	30,305	US\$			1,550	0.67
Freshworks 'A'	90,907	US\$			1,636	0.70
FTAI Aviation	46,124	US\$			3,082	1.32
Hims & Hers Health	151,232	US\$			2,370	1.02
HubSpot	3,706	US\$			2,313	0.99
Invesco	135,960	US\$			2,244	0.96
Knife River	31,498	US\$			2,528	1.09
Light & Wonder	28,397	US\$			2,953	1.27
Lincoln National	89,312	US\$			2,947	1.27
M&T Bank	15,407	US\$			2,229	0.96
MarketAxess Holdings	9,917	US\$			2,156	0.93
Mastercard 'A'	4,825	US\$			2,292	0.98
McDonald's	7,334	US\$			2,067	0.89
Medpace Holdings	6,718	US\$			2,712	1.16
Meta Platforms 'A'	8,813	US\$			4,352	1.87
Microsoft	15,768	US\$			6,645	2.85
Motorola Solutions	7,362	US\$			2,602	1.12
Natera	24,829	US\$			2,245	0.96

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
Netflix	3,610	US\$			2,216	0.95
Neurocrine Biosciences	18,879	US\$			2,603	1.12
NEXTracker 'A'	37,499	US\$			2,186	0.94
NVIDIA	4,099	US\$			3,690	1.58
Procure Technologies	29,361	US\$			2,397	1.03
RxSight	38,786	US\$			1,969	0.85
ServiceNow Inc	2,643	US\$			2,007	0.86
Smartsheet 'A'	44,922	US\$			1,729	0.74
State Street	27,131	US\$			2,092	0.90
Tenet Healthcare	23,412	US\$			2,456	1.05
Uber Technologies	32,126	US\$			2,512	1.08
UnitedHealth Group	4,287	US\$			2,114	0.91
Unum Group	45,815	US\$			2,460	1.06
Visa 'A'	8,215	US\$			2,293	0.98
Western Alliance Bank	32,422	US\$			2,036	0.87
Zoetis	13,077	US\$			2,201	0.94
Zscaler	11,113	US\$			2,144	0.92
<b>Canada</b>					<b>8,859</b>	<b>3.81</b>
Dollarama	29,475	CA\$			2,265	0.97
iA Financial Group	31,700	CA\$			1,969	0.85
Keyera	87,949	CA\$			2,233	0.96
Parkland	75,681	CA\$			2,392	1.03
<b>Brazil</b>						
TIM	624,530	BRL			<b>2,241</b>	<b>0.96</b>
<b>Mexico</b>						
Grupo Aeroportuario del Sureste 'B'	63,893	MXN			<b>2,025</b>	<b>0.87</b>
<b>Japan</b>					<b>13,956</b>	<b>5.99</b>
BayCurrent Consulting	105,200	¥			2,058	0.88
Koito Manufacturing	169,900	¥			2,284	0.98
Kose	25,200	¥			1,346	0.58
M3	157,900	¥			2,267	0.97

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Japan (continued)</b>						
Mazda Motor	183,200	¥			2,135	0.92
T&D Holdings	133,100	¥			2,313	0.99
Yamaha	72,200	¥			1,553	0.67
<b>Australia</b>						
Atlassian 'A'	9,375	US\$			<b>1,803</b>	<b>0.77</b>
					<b>9,706</b>	<b>4.17</b>
<b>China</b>						
Beijing Oriental Yuhong Waterproof Technology Co Ltd	840,100	CNY			1,863	0.80
Glodon 'A'	657,300	CNY			1,064	0.46
Minth Group	1,498,000	HK\$			2,365	1.02
Shanghai BOCHU Electronic Technology 'A'	57,323	CNY			2,239	0.96
Shenzhen Transsion Holdings 'A'	96,237	CNY			2,175	0.93
					<b>6,121</b>	<b>2.63</b>
<b>India</b>						
Karur Vysya Bank	1,468,651	INR			3,220	1.38
Trent	61,362	INR			2,901	1.25
<b>Malaysia</b>						
CIMB Group Holdings	1,426,500	MYR			<b>1,979</b>	<b>0.85</b>
<b>South Korea</b>						
Doosan Bobcat	54,255	KRW			<b>2,180</b>	<b>0.94</b>
					<b>4,884</b>	<b>2.10</b>
<b>Taiwan</b>						
ASMedia Technology	32,000	TW\$			2,305	0.99
MediaTek	71,000	TW\$			2,579	1.11
<b>Thailand</b>						
PTT	1,940,400	THB			<b>1,788</b>	<b>0.77</b>
<b>South Africa</b>						
Sasol	280,556	ZAR			<b>2,128</b>	<b>0.91</b>
<b>Bermuda</b>						
Axis Capital Holdings	36,707	US\$			<b>2,387</b>	<b>1.03</b>
<b>Portfolio of investments</b>					<b>231,248</b>	<b>99.31</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b>					0	0.00
Bought for SG\$ 23,144.11, Sold for US\$ 17,225.45			24.04.2024	17	0	0.00
Bought for US\$ 39.36, Sold for SG\$ 52.89			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>231,248</b>	<b>99.31</b>
Net other assets/(liabilities)					1,611	0.69
<b>Net assets</b>					<b>232,859</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					231,248	99.31
<b>Total Investment assets</b>					<b>231,248</b>	<b>99.31</b>
<b>Total portfolio</b>					<b>231,248</b>	<b>99.31</b>
<b>Net other assets/(liabilities)</b>					<b>1,611</b>	<b>0.69</b>
<b>Net assets</b>					<b>232,859</b>	<b>100.00</b>

<sup>a</sup> Related party (see note 11).

<sup>b</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+20.7	+7.7	n/a	+11.7	11.12.19
Class 'A' Distribution	+20.7	+7.7	n/a	+11.7	11.12.19
Class 'C' Accumulation	+21.9	+8.8	n/a	+12.8	11.12.19
Class 'C' Distribution	+21.9	+8.8	n/a	+12.8	11.12.19
Class 'CI' Accumulation	+21.9	+8.8	n/a	+12.8	11.12.19
Class 'CI' Distribution	+22.0	+8.8	n/a	+12.8	11.12.19
Class 'E' Accumulation <sup>a</sup>	+5.1	+4.1	n/a	+9.9	11.12.19
Class 'EI' Accumulation <sup>a</sup>	+5.2	+4.1	n/a	+9.9	11.12.19
Class 'ZI' Accumulation	+22.8	+9.6	n/a	+13.7	11.12.19
<b>Singapore dollar</b>					
Class 'A' Accumulation	+21.6	+4.9	n/a	+10.8	11.12.19
Class 'A' Distribution	+21.6	+4.9	n/a	+10.8	11.12.19
Class 'A-H' Accumulation	n/a	n/a	n/a	+17.1 <sup>b</sup>	30.05.23
Class 'C' Accumulation	+22.8	+5.9	n/a	+11.9	11.12.19
Class 'C' Distribution	+22.8	+5.9	n/a	+11.9	11.12.19
<b>Swiss franc</b>					
Class 'A' Accumulation	+18.2	+3.3	n/a	+8.8	11.12.19
Class 'A' Distribution	+18.3	+3.3	n/a	+8.8	11.12.19
Class 'C' Accumulation	+19.4	+4.3	n/a	+9.9	11.12.19
Class 'C' Distribution	+19.4	+4.3	n/a	+9.9	11.12.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>US dollar</b>					
Class 'A' Accumulation	+19.7	+4.7	n/a	+11.0	11.12.19
Class 'A' Distribution	+19.7	+4.7	n/a	+11.0	11.12.19
Class 'C' Accumulation	+20.9	+5.8	n/a	+12.1	11.12.19
Class 'C' Distribution	+20.9	+5.8	n/a	+12.1	11.12.19
Class 'CI' Accumulation	+21.0	+5.8	n/a	+12.1	11.12.19
Class 'CI' Distribution	+21.0	+5.8	n/a	+12.1	11.12.19
Class 'E' Accumulation <sup>a</sup>	+5.9	+1.4	n/a	+9.6	11.12.19
Class 'EI' Accumulation <sup>a</sup>	+5.9	+1.4	n/a	+9.6	11.12.19
Class 'ZI' Accumulation	+21.9	+6.6	n/a	+13.0	11.12.19

<sup>a</sup> Returns are up to 28 November 2023 the close date of the share class.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,116,914.312	16.0832	13.3267	14.3463	1.99
Class 'A' Distribution	53,645.271	15.2683	12.8793	14.1733	1.99
Class 'C' Accumulation	162,462.333	16.7960	13.7800	14.6859	0.99
Class 'C' Distribution	2,400.000	15.9442	13.3157	14.5056	0.99
Class 'CI' Accumulation	491,217.539	16.8243	13.7976	14.6996	0.95
Class 'CI' Distribution	4,600.000	15.9742	13.3346	14.5207	0.95
Class 'E' Accumulation	n/a	n/a	13.8240	14.7188	n/a
Class 'EI' Accumulation	n/a	n/a	13.8443	14.7343	n/a
Class 'ZI' Accumulation	4,600.000	17.3762	14.1447	14.9564	0.20
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A' Accumulation	3,156.896	15.5621	12.7958	14.3117	1.99
Class 'A' Distribution	2,400.000	14.7704	12.3629	14.1358	1.98
Class 'A-H' Accumulation	2,000.000	11.7062	n/a	n/a	2.02
Class 'C' Accumulation	2,400.000	16.2458	13.2256	14.6453	0.99
Class 'C' Distribution	2,400.000	15.4229	12.7805	14.4658	0.99
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A' Accumulation	2,400.000	14.3966	12.1812	13.4895	1.99
Class 'A' Distribution	2,400.000	13.6645	11.7697	13.3240	1.99
Class 'C' Accumulation	4,090.000	15.0281	12.5898	13.8037	0.99
Class 'C' Distribution	2,400.000	14.2681	12.1672	13.6353	0.99



# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
US dollar		US\$	US\$	US\$	
Class 'A' Accumulation	95,358.146	15.6555	13.0758	14.3679	1.99
Class 'A' Distribution	5,282.903	14.8614	12.6357	14.1926	1.99
Class 'C' Accumulation	2,400.000	16.3456	13.5178	14.7046	0.99
Class 'C' Distribution	2,400.000	15.5186	13.0632	14.5250	0.99
Class 'CI' Accumulation	4,600.000	16.3742	13.5356	14.7187	0.95
Class 'CI' Distribution	4,600.000	15.5450	13.0800	14.5385	0.95
Class 'E' Accumulation	n/a	n/a	13.5625	14.7388	n/a
Class 'EI' Accumulation	n/a	n/a	13.5803	14.7526	n/a
Class 'ZI' Accumulation	11,734,224.000	16.9103	13.8752	14.9753	0.20

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	232,859	203,255	94,100
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>232,859</b>	<b>203,255</b>	<b>94,100</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global stockmarkets generally performed strongly during the period under review. This was due to a combination of factors, including economic growth, signs of easing inflation and hopes of impending interest rate cuts.

Fears that interest rates would remain higher for longer in the autumn of 2023 and ongoing geopolitical issues all triggered dips in market performance during the course of the period. However, share prices jumped in December after the Fed indicated that rate cuts were likely in 2024.

The tech sector played a crucial role in buoying stockmarkets. In 2023, the so-called 'Magnificent Seven' mega cap tech stocks (Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA and Tesla) delivered stellar returns, largely due to excitement about artificial intelligence (AI). Some of the big tech names continued to perform well into the first quarter of 2024: NVIDIA's shares soared in February after the company released an exceptional earnings report, further stoking investor enthusiasm about AI.

Against this backdrop, the sub-fund delivered a positive return, but lagged its benchmark, the MSCI World Net Return Index, which returned 25.86% (in EUR) and 25.11% (in USD) over the period. Stock selection in technology, industrials and consumer discretionary dented relative returns. The sub-fund's below-benchmark position in technology also had a negative impact on relative performance. In contrast, stock picking in healthcare and materials boosted relative performance, as did the sub-fund's below-benchmark position in utilities.

Key detractors from relative performance included SolarEdge and WH Smith. SolarEdge's poor share price performance over the period reflects a beleaguered solar market. High interest rates (dampening demand for solar projects) and reduced incentives in California have dented the solar industry.

The top contributors to relative performance were Manhattan Associates, Tokio Marine and Novo Nordisk. Novo Nordisk has become one of Europe's most valuable companies following exponential demand for its weight-loss drug, Wegovy and diabetes medication, Ozempic.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the period under review, we sold our holding in uniform rental company UniFirst after the company's estimated emission intensity rose above our threshold. As the company does not report its actual emissions and failed to set a science-based target for emission reduction, we felt it was no longer compatible with our alignment to the Paris Agreement's goals. We also decided to close our position in Danish pharma company ALK-Abelló.

We added SolarEdge and Siemens to the sub-fund. SolarEdge enjoys a strong market position in solar inverters for power optimisation. We believe that Siemens offers a significant margin of safety (the difference between the current share price and what we believe to be the intrinsic value of the company). We also opened a position in Danish energy company Ørsted, taking advantage of its recent share price weakness. We believe that potential developments such as favourable policy measures and the easing of supply issues could benefit the company.

### ESG engagements

During the period, we engaged with a number of companies on environmental, social and governance issues. We encouraged US-listed online marketplace eBay to more explicitly link remuneration KPIs to sustainability targets. In response to our suggestion that it set a net zero target, the company confirmed that it would be doing so and that it planned to seek SBTi validation for this.

We met Danish pharmaceutical company Novo Nordisk to establish whether it had appropriate processes and

# Investment review

checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI).

We discussed two key issues with Johnson Controls International. The first pertained to a cyberattack carried out on the company last year. In light of this, we wanted to ensure that the business had implemented the requisite systems, controls and procedures to limit damage in case of any future attack. Secondly, we wanted to verify that the company was no longer exposed to perfluoroalkyl and polyfluoroalkyl substances (PFAS), often termed 'forever chemicals'.

Johnson Controls asserted that the cyberattack prompted it to review and strengthen its risk mitigation strategy. It has also hired a new chief information officer and chief technology officer, further bolstering cybersecurity at the business. The company is currently the subject of a class action connected to PFAS contamination. The action relates to a product whose chemical composition had been mandated by the US government. The company confirmed that it is now selling a compliant version of the product and that none of its other products contain PFAS.

## Outlook

We are comfortable with the balance of the sub-fund having tweaked it slightly, redirecting capital from some of our top performers to contrarian opportunities, such as Ørsted, SolarEdge and Siemens, which is trading at a discount to both comparable alternatives and our estimate of its intrinsic value.

This does not mean we are calling for a shift in market leadership or favouring a particular style. We simply continue to pursue our longstanding strategy of maintaining a concentrated and balanced portfolio of high-quality companies, while looking to increase holdings or add new stocks which, in our view, offer a significant margin of safety.

We still have faith in the long-term outlook for those companies we see as winners, such as Novo Nordisk, Schneider Electric, and Manhattan Associates.

However, we also prudently trim holdings as valuations bake in more future success.

## John William Olsen

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>459,832</b>	<b>96.78</b>
<b>Chemicals</b>					<b>11,689</b>	<b>2.46</b>
Linde	24,748	€			11,468	2.41
Linde	475	US\$			221	0.05
<b>Containers &amp; packaging</b>						
Ball	158,883	US\$			<b>10,691</b>	<b>2.25</b>
<b>Building products</b>						
Johnson Controls International	202,734	US\$			<b>13,145</b>	<b>2.77</b>
<b>Electrical equipment</b>						
Schneider Electric	96,329	€			<b>21,813</b>	<b>4.59</b>
<b>Industrial conglomerates</b>						
Siemens	71,357	€			<b>13,630</b>	<b>2.87</b>
<b>Machinery</b>					<b>20,466</b>	<b>4.31</b>
Graco	108,741	US\$			10,238	2.16
Weir Group	402,642	£			10,228	2.15
<b>Commercial services &amp; supplies</b>						
ISS	302,580	DKK			<b>5,506</b>	<b>1.16</b>
<b>Marine</b>						
Kuehne & Nagel International	30,572	CHF			<b>8,408</b>	<b>1.77</b>
<b>Internet &amp; direct marketing retail</b>						
eBay	219,696	US\$			<b>11,408</b>	<b>2.40</b>
<b>Specialty retail</b>						
WH Smith	881,039	£			<b>14,601</b>	<b>3.07</b>
<b>Food products</b>						
Nestlé	84,910	CHF			<b>8,969</b>	<b>1.89</b>
<b>Household products</b>						
Reckitt Benckiser Group	82,234	£			<b>4,672</b>	<b>0.98</b>
<b>Personal products</b>						
Unilever	293,553	£			<b>14,672</b>	<b>3.09</b>
<b>Health care equipment &amp; supplies</b>						
Becton Dickinson	56,065	US\$			<b>13,469</b>	<b>2.84</b>
<b>Health care providers &amp; services</b>						
UnitedHealth Group	48,512	US\$			<b>23,922</b>	<b>5.03</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Pharmaceuticals</b>					<b>28,495</b>	<b>6.00</b>
ALK-Abello	42,943	DKK			768	0.16
Novo Nordisk 'B'	216,907	DKK			27,727	5.84
<b>Banks</b>					<b>20,671</b>	<b>4.35</b>
HDFC Bank	721,614	INR			12,515	2.63
ING Groep	497,479	€			8,156	1.72
<b>Consumer finance</b>					<b>49,699</b>	<b>10.46</b>
American Express	77,652	US\$			17,669	3.72
Discover Financial Services	109,902	US\$			14,087	2.96
Visa 'A'	64,296	US\$			17,943	3.78
<b>Capital markets</b>					<b>19,652</b>	<b>4.14</b>
Bank of New York Mellon	134,872	US\$			7,676	1.62
Morningstar	38,838	US\$			11,976	2.52
<b>Insurance</b>						
Tokio Marine Holdings	581,800	¥			<b>18,163</b>	<b>3.82</b>
<b>Software</b>					<b>83,706</b>	<b>17.62</b>
Adobe	27,105	US\$			13,678	2.88
Ansys	42,079	US\$			14,628	3.08
Manhattan Associates	70,898	US\$			17,693	3.72
Microsoft	89,475	US\$			37,707	7.94
<b>Semiconductors &amp; semiconductor equipment</b>						
SolarEdge Technologies	52,269	US\$			<b>3,632</b>	<b>0.76</b>
<b>Interactive media &amp; services</b>					<b>30,707</b>	<b>6.46</b>
Alphabet 'A'	161,014	US\$			24,301	5.11
Tencent Holdings	165,000	HK\$			6,406	1.35
<b>Electric utilities</b>						
Ørsted	144,475	DKK			<b>8,046</b>	<b>1.69</b>
<b>Portfolio of investments</b>					<b>459,832</b>	<b>96.78</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Cash equivalents</b>					17,433	3.67
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	17,433,000	US\$			17,433	3.67
<b>Total portfolio</b>					477,265	100.45
Net other assets/(liabilities)					(2,128)	(0.45)
<b>Net assets</b>					475,137	100.00
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					459,832	96.78
<b>Total Investment assets</b>					459,832	96.78
<b>Total portfolio</b>					459,832	96.78
<b>Cash equivalents</b>					17,433	3.67
<b>Net other assets/(liabilities)</b>					(2,128)	(0.45)
<b>Net assets</b>					475,137	100.00

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+20.2	+10.7	+12.0	+7.5	28.11.01	09.11.18
Class 'A' Distribution	+20.2	+10.7	+12.0	+11.1	08.08.14	09.11.18
Class 'B' Accumulation	+19.6	+10.1	+11.4	+10.4	21.03.16	09.11.18
Class 'C' Accumulation	+21.4	+11.8	+13.1	+8.5	28.11.01	09.11.18
Class 'C' Distribution	+21.4	+11.8	+13.1	+12.2	08.08.14	09.11.18
Class 'CI' Accumulation	+21.4	+11.8	+13.2	+8.5	28.11.01	19.11.18
<b>South African rand</b>						
Class 'A-H' Accumulation <sup>b</sup>	+15.9	n/a	n/a	+16.2	n/a	24.05.22
Class 'X-H' Accumulation <sup>b</sup>	+14.7	n/a	n/a	+14.7	n/a	24.05.22
<b>Swedish krona</b>						
Class 'N' Accumulation	+23.3	n/a	n/a	+22.9	n/a	22.02.23

## Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+19.2	+7.6	+11.1	+9.6	19.12.08	09.11.18
Class 'A' Distribution	+19.2	+7.6	+11.1	+8.6	08.08.14	09.11.18
Class 'C' Accumulation	+20.4	+8.7	+12.2	+10.7	19.12.08	09.11.18
Class 'C' Distribution	+20.5	+8.7	+12.2	+9.7	08.08.14	09.11.18
Class 'CI' Accumulation	+20.5	+8.7	+12.2	+10.7	19.12.08	19.11.18
Class 'X' Accumulation	+18.1	n/a	n/a	+6.7	n/a	21.04.22

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Global Sustain Paris Aligned Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Sustain Paris Aligned Fund is a UK authorised sub-fund which launched on 19 December 1967 and its non-Sterling share classes merged into M&G (Lux) Global Sustain Paris Aligned Fund on 9 November 2018.

<sup>b</sup> Returns are up to 28 December 2023 the close date of the share class.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	2,561,067.621	50.3545	41.8920	42.9543	1.97
Class 'A' Distribution	71,701.895	45.7773	38.5646	39.9562	1.98
Class 'B' Accumulation	489,623.388	22.2116	18.5710	19.1377	2.48
Class 'C' Accumulation	2,657,633.505	61.6450	50.7786	51.5498	0.97
Class 'C' Distribution	440.170	54.4932	45.4458	46.6096	0.97
Class 'CI' Accumulation	5,568,936.653	19.4384	16.0054	16.2416	0.93
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H' Accumulation	n/a	n/a	164.4478	n/a	n/a
Class 'X-H' Accumulation	n/a	n/a	162.7189	n/a	n/a
<b>Swedish krona</b>		SEK	SEK	SEK	
Class 'N' Accumulation	118,402.018	125.5370	101.7958	n/a	1.74
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	97,393.131	40.4539	33.9241	35.5037	1.97
Class 'A' Distribution	7,506.012	36.6859	31.1504	32.9416	1.97
Class 'C' Accumulation	139,175.940	46.9960	39.0242	40.4356	0.99
Class 'C' Distribution	396.957	41.6531	35.0119	36.6517	0.96
Class 'CI' Accumulation	826,557.442	18.3467	15.2270	15.7717	0.93
Class 'X' Accumulation	1,000.000	11.3422	9.6038	n/a	2.95

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	475,137	264,949	183,423
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>475,137</b>	<b>264,949</b>	<b>183,423</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equities rallied in the review period helped by large-cap technology companies in the US surging on optimism about artificial intelligence. Stocks and corporate bonds also got a boost from confidence that central banks would be able to cool inflation and cut interest rates without causing deep recessions. Global government bonds sold off because of higher rates.

Equities made a positive contribution to sub-fund performance over the year, helped by our decision to reduce exposure in early August to a slight net negative, and by outperformance of holdings in Asia. US banks also fuelled returns as the sector rebounded from a regional banking crisis centred on the failure of Silicon Valley Bank.

Government bond holdings were beneficial with positive returns from Brazil, Mexico, and the UK. Investments in US Treasury futures weighed on performance.

Cash investments contributed positively, reflecting high yields. Corporate bonds also drove returns, particularly holdings in M&G credit sub-funds. Options and alternative investments, which include infrastructure investment trusts, were detrimental.

### Investment activities

Across the course of the year, we notably increased our exposure to government bonds. This particularly included US Treasuries, where we moved to positive exposure from negative. At the start of the period, for instance, we added US ultralong Treasury futures (contracts with terms of at least 25 years) for diversification and an attractive real yield. We later boosted exposure to 5-year and 10-year bonds. We increased duration risk significantly over the period, partly by adding UK government bonds (gilts).

We increased exposure overall in corporate bonds, with additions in high-yield outweighing declines in investment grade. Our high-yield exposure was zero at the start of the review period. Equity exposure fell over the year, mainly due to more negative exposure in North

America and reduced exposure to Asia ex. Japan. We added in emerging markets, Europe and the UK.

We maintain a significant allocation to cash for flexibility and attractive yields.

### Outlook

Global economies and financial markets in 2024 will likely be shaped by inflation, interest rates and a series of elections, most notably in the US.

The path of inflation and interest rates are interlinked, as central bankers have used higher borrowing costs to help bring down the pace of price increases. They have had some success, without quite getting inflation back to target. This ongoing challenge has dented optimism about when interest-rate cuts may begin, and how fast they will be, which has contributed to recent weakness in bonds. More optimistically, the challenge also reflects sustained strength in the economy and fading recession fears.

Concerns about government debt levels have also weighed on sovereign bonds, and largess from candidates in this year's elections will do little to help. US presidential candidates are no exception, and this is helping to foster questions about the long-term sustainability of US debt levels, even with the benefit that the country gets from having the de facto global reserve currency. Still, these concerns are long-term risks, and we remain constructive on US Treasuries. We also expect opportunities amid volatility around the election.

The strategy of the sub-fund remains focused on generating a positive, above-cash return for investors with relatively low volatility. We continue to dynamically evaluate exposures, and to seek opportunities on both a medium-term and tactical basis.

# Investment review

## Tristan Hanson

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>3,811</b>	<b>9.08</b>
<b>Software &amp; computer services</b>						
NetLink NBN Trust	463,700	SG\$			<b>273</b>	<b>0.65</b>
<b>Technology hardware &amp; equipment</b>						
China Tower 'H'	2,272,000	HK\$			<b>244</b>	<b>0.58</b>
<b>Banks</b>						
Bangkok Bank	59,300	THB			210	0.50
BOC Hong Kong Holdings	103,500	HK\$			256	0.61
<b>Investment banking &amp; brokerage services</b>						
<b>Equity portfolios</b>						
Greencoat UK Wind	396,629	£			643	1.53
iShares MSCI Emerging Markets Investable Market Index	14,079	US\$			424	1.01
<b>Real estate investment &amp; services</b>						
Sun Hung Kai Properties	24,000	HK\$			<b>215</b>	<b>0.51</b>
<b>Construction &amp; materials</b>						
Sinopec Engineering Group 'H'	451,500	HK\$			<b>241</b>	<b>0.58</b>
<b>Industrial transportation</b>						
COSCO SHIPPING Ports	223,954	HK\$			113	0.27
Pacific Basin Shipping	845,000	HK\$			227	0.54
<b>Non-renewable energy</b>						
Sinopec Kantons Holdings	610,000	HK\$			<b>261</b>	<b>0.62</b>
<b>Renewable energy</b>						
Greencoat Renewables	727,990	€			<b>634</b>	<b>1.51</b>
<b>Equity derivatives</b>						
<b>Equity index futures</b>						
Hang Seng China Enterprises Index Futures	11	HK\$	29.04.2024	379	3	0.01
Hang Seng Stock Index Futures	4	HK\$	29.04.2024	392	0	0.00
Korean Stock Exchange Futures	7	KRW	13.06.2024	450	14	0.03
DJ Euro Stoxx 50 Futures	67	€	21.06.2024	467	43	0.10
FTSE 100 Index Futures	9	£	21.06.2024	837	21	0.05
S&P MINI 500 Futures	(12)	US\$	21.06.2024	2,924	(46)	(0.11)

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Equity derivatives (continued)</b>						
<b>Equity options</b>						
S&P 500 Put US\$ 4,900.00	9	US\$	19.07.2024	7	35	0.09
<b>Fixed income</b>					<b>15,788</b>	<b>37.61</b>
<b>Bond portfolios</b>					<b>2,656</b>	<b>6.33</b>
M&G Short Dated Corporate Bond Fund GBP Class 'I' (Distribution) <sup>a</sup>	110,407	£			1,319	3.14
M&G Total Return Credit Investment Fund Euro Class 'A' (Accumulation) <sup>a</sup>	9,499	€			1,337	3.19
<b>Debt securities</b>					<b>13,277</b>	<b>31.63</b>
<b>'AAA' credit rated bonds</b>					<b>5,149</b>	<b>12.27</b>
Coventry Building Society FRN	625,000	£	15.01.2025		732	1.75
Darrowby No. 5 FRN	126,244	£	20.12.2057		148	0.35
Export Development Canada FRN	884,000	£	17.01.2025		1,035	2.47
Leeds Building Society FRN	625,000	£	15.01.2025		733	1.75
Nationwide Building Society 5.264%	562,000	US\$	10.11.2026		526	1.25
Royal Bank of Canada FRN	574,000	£	30.01.2025		672	1.60
Royal Bank of Canada FRN	555,000	£	18.01.2028		651	1.55
TSB Bank FRN	556,000	£	14.02.2027		652	1.55
<b>'AA' credit rated bonds</b>					<b>4,636</b>	<b>11.04</b>
UK Gilt 3.75%	1,985,500	£	22.10.2053		2,063	4.91
US Treasury Bond I/L 0.125%	1,389,000	US\$	15.02.2052		836	1.99
US Treasury Bond I/L 1.375%	1,923,000	US\$	15.07.2033		1,737	4.14
<b>'BBB' credit rated bonds</b>					<b>1,479</b>	<b>3.52</b>
Mexico (United Mexican States) 1.45%	693,000	€	25.10.2033		544	1.29
Mexico (United Mexican States) 7.5%	18,720,000	MXN	26.05.2033		935	2.23
<b>'BB' credit rated bonds</b>					<b>2,013</b>	<b>4.80</b>
Brazil (Federal Republic of) 10%	4,549,000	BRL	01.01.2029		827	1.97
South Africa (Republic of) 8.5%	33,057,500	ZAR	31.01.2037		1,186	2.83
<b>Debt derivatives</b>					<b>(145)</b>	<b>(0.35)</b>
<b>Credit default swaps</b>						
Markit CDX North American High Yield Series 41 5 Year Dec 2028	2,123,550	US\$		211,287	(148)	(0.35)

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Interest rate futures</b>					<b>3</b>	<b>0.00</b>
US Ultra Bond Futures	7	US\$	18.06.2024	7	3	0.00
US Treasury Notes 5 year Futures	25	US\$	28.06.2024	23	0	0.00
<b>Currency</b>					<b>20</b>	<b>0.04</b>
<b>Forward currency contracts</b>					<b>20</b>	<b>0.04</b>
Bought for CLP 262,026,235.00, Sold for US\$ 286,520.91			23.04.2024	512	(19)	(0.05)
Bought for KRW 748,563,526.00, Sold for US\$ 562,365.19			23.04.2024	1,037	(8)	(0.02)
Bought for US\$ 613,738.56, Sold for BRL 3,041,074.57			23.04.2024	1,134	6	0.01
Bought for US\$ 267,496.54, Sold for CLP 262,026,235.00			23.04.2024	495	1	0.00
Bought for US\$ 1,173,265.37, Sold for KRW 1,562,261,507.00			23.04.2024	2,164	15	0.04
Bought for € 530,405.89, Sold for CHF 492,192.32			30.04.2024	504	26	0.06
Bought for € 8,857,523.29, Sold for £ 7,573,976.85			30.04.2024	8,858	8	0.02
Bought for € 1,945,434.36, Sold for HK\$ 16,488,922.39			30.04.2024	1,954	(8)	(0.02)
Bought for € 298,970.77, Sold for HUF 117,885,520.00			30.04.2024	298	2	0.01
Bought for € 287,870.05, Sold for SG\$ 417,991.05			30.04.2024	287	1	0.00
Bought for € 650,004.58, Sold for THB 25,122,039.68			30.04.2024	638	11	0.03
Bought for € 6,187,644.86, Sold for US\$ 6,722,935.38			30.04.2024	6,233	(40)	(0.10)
Bought for € 898,585.79, Sold for ZAR 18,473,791.69			30.04.2024	899	3	0.01
Bought for HUF 117,885,520.00, Sold for € 299,704.40			30.04.2024	298	(3)	(0.01)
Bought for US\$ 1,148,857.87, Sold for € 1,059,285.80			30.04.2024	1,065	5	0.01
Bought for US\$ 93,716.26, Sold for £ 73,748.02			30.04.2024	173	1	0.00
Bought for US\$ 615,632.53, Sold for TW\$ 19,043,361.00			30.04.2024	1,123	19	0.05
<b>Portfolio of investments</b>					<b>19,619</b>	<b>46.73</b>
<b>Share class hedging</b>					<b>1</b>	<b>0.00</b>
Bought for CHF 54,051.35, Sold for € 55,697.66			24.04.2024	55	0	0.00
Bought for € 1,117.27, Sold for CHF 1,084.15			24.04.2024	1	0	0.00
Bought for € 36.88, Sold for £ 31.63			24.04.2024	0	0	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Share class hedging</b> (continued)						
Bought for £ 30,843.52, Sold for € 35,955.91			24.04.2024	36	0	0.00
Bought for US\$ 242,782.74, Sold for € 223,899.87			24.04.2024	226	1	0.00
<b>Total portfolio</b>					<b>19,620</b>	<b>46.73</b>
Net other assets/(liabilities)					22,359	53.27
<b>Net assets</b>					<b>41,979</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					2,674	6.37
Equity portfolios					1,067	2.54
Bond portfolios					2,656	6.33
Debt securities					13,277	31.63
Unrealised gains on futures contracts					84	0.19
Unrealised gains on forward currency contracts					99	0.24
Unrealised gains on options contracts					35	0.09
<b>Total Investment assets</b>					<b>19,892</b>	<b>47.39</b>
<b>Investment liabilities</b>						
Swap contracts					(148)	(0.35)
Unrealised losses on futures contracts					(46)	(0.11)
Unrealised losses on forward currency contracts					(78)	(0.20)
<b>Total Investment liabilities</b>					<b>(272)</b>	<b>(0.66)</b>
<b>Total portfolio</b>					<b>19,620</b>	<b>46.73</b>
<b>Net other assets/(liabilities)</b>					<b>22,359</b>	<b>53.27</b>
<b>Net assets</b>					<b>41,979</b>	<b>100.00</b>

<sup>a</sup> Related party (see note 11).

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures		
	Swaps €'000	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	0	84
Barclays Bank London	0	47	0
Citigroup Global Markets Limited	0	3	0
Goldman Sachs International	8	1	0
HSBC Bank Plc	0	28	0
JPMorgan London	0	6	0
National Australia Bank Ltd	0	2	0
State Street Bank and Trust Company	0	1	0
State Street Bank and Trust Company, London Branch	0	1	0
UBS AG London	0	10	0

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price-to-price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+4.6	+3.6	+2.8	+1.7	21.12.16
Class 'B' Accumulation	+4.1	+3.1	+2.2	+1.1	21.12.16
Class 'C' Accumulation	+5.4	+4.4	+3.5	+2.4	21.12.16
Class 'CI' Accumulation	+5.4	+4.5	+3.6	+2.5	21.12.16
<b>Sterling</b>					
Class 'C-H' Accumulation	+6.7	+5.7	+4.6	+3.5	21.12.16
<b>Swiss franc</b>					
Class 'A-H' Accumulation	+2.3	+2.6	+2.0	+1.0	21.12.16
Class 'C-H' Accumulation	+3.1	+3.4	+2.8	+1.8	21.12.16
<b>US dollar</b>					
Class 'A-H' Accumulation	+6.5	+5.5	+4.7	+3.8	21.12.16
Class 'C-H' Accumulation	+7.3	+6.3	+5.4	+4.5	21.12.16

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	474,355.095	11.2660	10.7726	10.3933	1.47
Class 'B' Accumulation	147,233.771	10.8666	10.4427	10.1266	1.98
Class 'C' Accumulation	35,534.140	11.9006	11.2921	10.8137	0.72
Class 'CI' Accumulation	2,873,504.395	11.9353	11.3237	10.8392	0.69
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	2,416.000	12.8167	12.0081	11.3053	0.75
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,406.000	10.7645	10.5182	10.2214	1.49
Class 'C-H' Accumulation	2,410.000	11.3718	11.0318	10.6353	0.74
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A-H' Accumulation	16,054.853	13.0808	12.2837	11.5503	1.49
Class 'C-H' Accumulation	2,425.000	13.8021	12.8631	12.0088	0.74

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	41,979	62,572	61,857
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>41,979</b>	<b>62,572</b>	<b>61,857</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equities recorded positive returns over the review period with much of the performance delivered in the latter part of 2023. In the earlier part of the review period, markets were dragged down by concerns over the impact of high interest rates before signs of moderating inflation led to a strong rebound at the end of the year. Global equities rallied strongly on optimism that peak interest rates had been reached and that rate cuts would come sooner than originally predicted. Early in the new year, however, investors scaled back hopes of imminent rate cuts as various data releases continued to suggest economic resilience in the US. Nevertheless, global equities finished the review period on a strong footing following solid corporate earnings results and on optimism that global central banks had engineered a soft economic landing.

Against this backdrop, the sub-fund delivered a positive return but underperformed its benchmark, across all its share classes. The benchmark, the MSCI ACWI Net Return Index returned 23.95% in euros and 23.22% in US dollars. Sector allocation detracted from relative returns due partly to the sub-fund's underweight to the strongly performing technology sector. Overweight exposure to real estate, a sector that was hurt by rising interest rates during 2023, was also detrimental. Conversely, above-market exposure to the more resilient consumer staples sector benefited relative performance.

Stock selection was negative for relative returns. The sub-fund's zero-weight to technology giant NVIDIA, which rallied significantly on developments in artificial intelligence, was among the main detractors. Elsewhere, weakness across the materials sector hurt our overweight position in Franco Nevada, a Canadian royalties company exposed to mining projects. By contrast, top contributors to relative performance included the sub-fund's zero weight in Apple, which fell following a lacklustre sales forecast, and overweight exposure to Qualcomm which benefited from demand for semiconductors.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

Over the review period, we initiated several new holdings which were complementary to the portfolio's ESG approach and trading at attractive valuations. Within energy, we bought into New Fortress Energy and Enbridge, recycling the proceeds from PepsiCo and ONEOK. Oracle and Qualcomm were added in the technology sector which were partly funded by our divestments from L'Oréal, Nokia, Weichai Power and Unilever. Elsewhere, we added to our utilities overweight with new positions in APA Group Units and Hidroelectrica via the renewable power generator's initial public offering. We used the proceeds from Italian utilities group Enel to initiate a position in Ecolab, which specialises in water treatment and hygiene across a variety of industries. Meanwhile, we sold Air Products and Chemicals and started a new position in Israeli autonomous driving company Mobileye in anticipation of the medium-term product pipeline and margin rebuild. Meanwhile profit taking in Infineon Technologies resulted in our overweight reducing to a more neutral position. Other significant sales included the divestment from Walt Disney.

### Outlook

Given the elevated volatility, continued conflict in the Middle East and an election year for multiple countries, we remain highly selective, focusing on companies with robust cashflows, strong balance sheets and trading at conservative valuations.

An area that we feel is becoming increasingly attractive is renewable energy, which suffered last year on concerns around inflation implications for long-term project economics and the potential impact of 2024 elections on government policies that currently support this space. So far this year, however, we have seen inflation levels moderate and renewable energy companies begin to negotiate inflation-linked contracts to help manage rising costs and high levels of borrowing against long project lead times. Meanwhile,

# Investment review

governments across the world have continued to be supportive of green investments given the ambitious targets around national decarbonisation goals. As a result, we believe valuations among renewables now provide a good margin of safety, but recognise that sentiment for the sector may remain volatile as almost 60% of the world's democratic population heads for the polls this year.

## Alex Araujo

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>671,380</b>	<b>99.00</b>
<b>Oil, gas &amp; consumable fuels</b>					<b>66,568</b>	<b>9.82</b>
APA Group	2,486,265	AU\$			13,571	2.00
Cheniere Energy	41,538	US\$			6,701	0.99
Enbridge	373,124	CA\$			13,367	1.97
New Fortress Energy	306,752	US\$			9,065	1.34
PrairieSky Royalty	1,250,038	CA\$			23,864	3.52
<b>Chemicals</b>					<b>20,005</b>	<b>2.95</b>
Ecolab	30,075	US\$			6,969	1.03
Toray Industries	2,712,300	¥			13,036	1.92
<b>Construction materials</b>						
Martin Marietta Materials	12,301	US\$			<b>7,536</b>	<b>1.11</b>
<b>Metals &amp; mining</b>						
Franco-Nevada	175,128	CA\$			<b>20,428</b>	<b>3.01</b>
<b>Construction &amp; engineering</b>					<b>13,468</b>	<b>1.99</b>
Transurban Group	795,329	AU\$			6,878	1.02
Vinci	51,234	€			6,590	0.97
<b>Electrical equipment</b>						
Siemens Energy	375,688	€			<b>6,845</b>	<b>1.01</b>
<b>Industrial conglomerates</b>						
Siemens	50,567	€			<b>9,659</b>	<b>1.42</b>
<b>Commercial services &amp; supplies</b>						
Republic Services	34,865	US\$			<b>6,678</b>	<b>0.98</b>
<b>Road &amp; rail</b>						
CSX	263,607	US\$			<b>9,705</b>	<b>1.43</b>
<b>Auto components</b>					<b>20,812</b>	<b>3.07</b>
Magna International	245,851	US\$			13,374	1.97
Mobileye Global	227,941	US\$			7,438	1.10
<b>Automobiles</b>					<b>27,707</b>	<b>4.09</b>
BYD 'H'	684,500	HK\$			17,668	2.61
Toyota Motor	398,300	¥			10,039	1.48
<b>Household durables</b>						
Garmin	48,244	US\$			<b>7,136</b>	<b>1.05</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Leisure products</b>						
Shimano	89,800	¥			<b>13,399</b>	<b>1.98</b>
<b>Textiles, apparel &amp; luxury goods</b>						
Lululemon Athletica	33,954	US\$			<b>13,213</b>	<b>1.95</b>
<b>Health care equipment &amp; supplies</b>						
Becton Dickinson	55,463	US\$			<b>13,324</b>	<b>1.96</b>
<b>Health care providers &amp; services</b>						
CVS Health	129,865	US\$			10,314	1.52
Elevance Health	13,154	US\$			6,839	1.01
Laboratory Corporation of America Holdings	29,681	US\$			6,421	0.95
<b>Pharmaceuticals</b>						
AstraZeneca	50,284	£			6,790	1.00
Bristol-Myers Squibb	255,935	US\$			13,647	2.01
Roche Holdings	48,802	CHF			12,307	1.82
<b>Banks</b>						
DBS Group Holdings	253,284	SG\$			6,759	1.00
Erste Group Bank	227,128	€			10,064	1.48
<b>Consumer finance</b>						
Visa 'A'	23,836	US\$			<b>6,652</b>	<b>0.98</b>
<b>Capital markets</b>						
Brookfield	476,758	US\$			<b>19,783</b>	<b>2.92</b>
<b>Insurance</b>						
AIA Group	1,149,800	HK\$			7,714	1.14
Hannover Rück	36,849	€			10,106	1.49
Manulife Financial	558,958	US\$			13,746	2.02
<b>Software</b>						
Microsoft	64,087	US\$			27,008	3.98
Oracle	134,756	US\$			16,883	2.49
<b>Communications equipment</b>						
Motorola Solutions	20,746	US\$			<b>7,331</b>	<b>1.08</b>
<b>Technology hardware, storage &amp; peripherals</b>						
Samsung Electronics	170,100	KRW			<b>10,215</b>	<b>1.51</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Semiconductors &amp; semiconductor equipment</b>					<b>47,833</b>	<b>7.05</b>
Infinion Technologies	186,522	€			6,334	0.94
Intel	436,620	US\$			19,012	2.80
NXP Semiconductors	32,414	US\$			7,951	1.17
QUALCOMM	86,096	US\$			14,536	2.14
<b>Media</b>						
Comcast 'A'	291,996	US\$			<b>12,580</b>	<b>1.86</b>
<b>Interactive media &amp; services</b>					<b>44,701</b>	<b>6.59</b>
Alphabet 'A'	179,909	US\$			27,153	4.00
Tencent Holdings	452,000	HK\$			17,548	2.59
<b>Electric utilities</b>					<b>17,287</b>	<b>2.55</b>
NextEra Energy	166,282	US\$			10,552	1.56
Ørsted	120,947	DKK			6,735	0.99
<b>Water utilities</b>						
American Water Works	58,343	US\$			<b>7,074</b>	<b>1.04</b>
<b>Independent power and renewable electricity producers</b>					<b>22,262</b>	<b>3.28</b>
ACCIONA Energias Renovables	398,224	€			8,615	1.27
Hidroelectrica	480,529	RON			13,647	2.01
<b>Real estate investment trusts</b>					<b>70,581</b>	<b>10.41</b>
Alexandria Real Estate Equities	106,327	US\$			13,553	2.00
American Tower	33,167	US\$			6,538	0.97
Crown Castle International	159,662	US\$			16,833	2.48
Equinix	12,586	US\$			10,247	1.51
Segro	1,183,002	£			13,308	1.96
Weyerhaeuser	282,781	US\$			10,102	1.49
<b>Portfolio of investments</b>					<b>671,380</b>	<b>99.00</b>
<b>Cash equivalents</b>					<b>2,161</b>	<b>0.32</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	2,161,000	US\$			<b>2,161</b>	<b>0.32</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b>					0	0.00
Bought for SG\$ 20,043.01, Sold for US\$ 14,917.39			24.04.2024	15	0	0.00
Bought for US\$ 34.06, Sold for SG\$ 45.77			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>673,541</b>	<b>99.32</b>
Net other assets/(liabilities)					4,601	0.68
<b>Net assets</b>					<b>678,142</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					671,380	99.00
<b>Total Investment assets</b>					<b>671,380</b>	<b>99.00</b>
<b>Total portfolio</b>					<b>671,380</b>	<b>99.00</b>
<b>Cash equivalents</b>					<b>2,161</b>	<b>0.32</b>
<b>Net other assets/(liabilities)</b>					<b>4,601</b>	<b>0.68</b>
<b>Net assets</b>					<b>678,142</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price-to-price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+10.4	+5.6	+9.8	+9.9	19.03.19
Class 'A' Distribution	+10.4	+5.6	+9.8	+9.9	19.03.19
Class 'C' Accumulation	+11.5	+6.6	+10.9	+11.1	19.03.19
Class 'C' Distribution	+11.5	+6.6	+10.9	+11.0	19.03.19
Class 'CI' Accumulation	+11.5	+6.7	n/a	+10.9	10.05.19
Class 'CI' Distribution	+11.6	+6.7	n/a	+10.9	10.05.19
Class 'J' Accumulation	+11.7	+6.8	n/a	+7.4	16.03.21
Class 'JI' Accumulation	+11.7	+6.8	n/a	+7.4	16.03.21
<b>Singapore dollar</b>					
Class 'A-H' Accumulation	n/a	n/a	n/a	+3.2 <sup>a</sup>	20.06.23
<b>Swiss franc</b>					
Class 'A' Accumulation	+8.1	+1.3	n/a	+6.4	10.05.19
Class 'A' Distribution	+8.2	+1.3	n/a	+6.4	10.05.19
Class 'C' Accumulation	+9.2	+2.3	n/a	+7.4	10.05.19
Class 'C' Distribution	+9.3	+2.3	n/a	+7.4	10.05.19
Class 'CI' Accumulation	+9.2	+2.3	n/a	+7.5	10.05.19
Class 'CI' Distribution	+9.3	+2.3	n/a	+7.5	10.05.19
<b>US dollar</b>					
Class 'A' Accumulation	+9.5	+2.6	n/a	+8.8	10.05.19
Class 'A' Distribution	+9.5	+2.7	n/a	+8.8	10.05.19
Class 'C' Accumulation	+10.6	+3.7	n/a	+9.9	10.05.19
Class 'C' Distribution	+10.6	+3.7	n/a	+9.9	10.05.19
Class 'CI' Accumulation	+10.7	+3.7	n/a	+10.0	10.05.19
Class 'CI' Distribution	+10.7	+3.7	n/a	+10.0	10.05.19

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	28,375,170.509	16.1210	14.6034	15.6169	2.11
Class 'A' Distribution	358,682.260	14.9679	13.8221	15.0411	2.11
Class 'C' Accumulation	1,240,016.345	16.9557	15.2083	16.1023	1.12
Class 'C' Distribution	130,294.601	15.7241	14.3776	15.4871	1.14
Class 'CI' Accumulation	1,561,937.118	16.5723	14.8579	15.7249	1.07
Class 'CI' Distribution	4,600.000	15.4528	14.1214	15.2059	1.07
Class 'J' Accumulation	2,000.000	12.4125	11.1156	11.7500	0.96
Class 'JI' Accumulation	8,332,735.316	12.4226	11.1211	11.7522	0.92
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,000.000	10.3211	n/a	n/a	2.13
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A' Accumulation	1,000.000	13.5212	12.5061	13.7576	2.11
Class 'A' Distribution	1,000.000	12.6038	11.8832	13.3014	2.10
Class 'C' Accumulation	1,000.000	14.1975	13.0018	14.1613	1.11
Class 'C' Distribution	1,000.000	13.2395	12.3587	13.6943	1.11
Class 'CI' Accumulation	4,600.000	14.2206	13.0187	14.1748	1.07
Class 'CI' Distribution	4,600.000	13.2597	12.3733	13.7067	1.07
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	67,214.722	15.1187	13.8038	15.0672	2.11
Class 'A' Distribution	1,548.132	14.0991	13.1224	14.5734	2.10
Class 'C' Accumulation	1,000.000	15.8820	14.3569	15.5142	1.10
Class 'C' Distribution	1,000.000	14.8096	13.6465	15.0031	1.11
Class 'CI' Accumulation	826,071.150	15.9090	14.3771	15.5309	1.07
Class 'CI' Distribution	4,600.000	14.8340	13.6643	15.0186	1.07

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

# Financial highlights

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	678,142	647,216	728,882
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>678,142</b>	<b>647,216</b>	<b>728,882</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The M&G (Lux) Income Allocation Fund delivered a positive total return (the combination of capital growth and income) across all its share classes.

The sub-fund is actively managed and it has no benchmark. Investors can assess the performance of the sub-fund by its objective to provide a growing level of income and capital growth of 2-4% per annum, both measured over any three year period.

The 12-month period under review saw strong gains for stockmarkets around the world, particularly in the second half. Investor sentiment was bolstered by the easing of inflationary pressures, optimism about forthcoming rate cuts by central banks and a potential economic 'soft landing'. The technology sector performed very strongly, with companies seen as beneficiaries of the growth in artificial intelligence the standout performers.

Within fixed income, shorter-dated developed market sovereign bonds, generally delivered a small positive total return, but performance of long-dated bonds (particularly in the UK and US) was held back a little, by fears interest rates would stay 'higher for longer'.

Elsewhere, emerging market sovereign bonds (particularly hard currency) and investment grade and high yield corporate bonds recorded stronger gains. In general, these bonds benefited from their higher yields, a tightening of spreads and lower duration versus government bonds.

The sub-fund posted a positive total return (the combination of capital growth and income) in the reporting period. Equities drove the positive performance, led by holdings in the US and Japan.

Holdings in developed market sovereign bonds delivered mixed returns, with US Treasuries costing some performance, but UK gilts delivered gains. Holdings in emerging market sovereign bonds were also profitable. However, currency hedging was a drag

on performance, as a significant part of the portfolio is hedged back into euros.

### Investment activities

Early in the review period, we made several changes to the portfolio, seeking to take advantage of the higher yields available. To optimise income generation, we reduced our overweight positions in global financial equities and added to other sectors. After the good performance of the Japanese stockmarket, we reduced our overweight position in the country.

We also diversified our government bond exposure by country and maturity by introducing positions in German and UK bonds, while trimming US Treasuries. Our exposure to emerging market government bonds was also adjusted markedly.

In July, as part of a process to optimise income, we switched out of some stocks that had paid their annual dividends into other shares with similar characteristics but still to pay. The aim was to generate more distributable income while leaving the overall positioning and risk profile little changed. Later we rebalanced our holdings of emerging market bonds in response to the steep inversion of yield curves, which meant we could get higher yields from shorter-dated bonds. Finally, at the end of the period, we sold all our corporate bonds as, their credit spreads had remained resilient despite the rise in cash yields.

Early in the fourth quarter of 2024, we attempted to remove some risk from the portfolio by reducing the allocation to equities, while increasing exposure to bonds. In November, we diversified government bond exposure by adding 5-year bonds from Germany, the UK and US while selling our Treasury bills, which were classified as cash. Towards the end of the quarter, we removed the sub-fund's short S&P 500 position.

In January 2024, we began a new position in Hong Kong and Hong Kong-listed Chinese equities. The growing valuation discount of Hong Kong/China shares, to what we see as fundamental value, offers an attractive total return proposition, in our view. In March, we sold our positions in US, UK and German 5-year

# Investment review

sovereign bonds and recycled the proceeds into short duration high yield credit.

## Outlook

Central banks seem broadly comfortable with the path of inflation, but don't want to cut while economic growth remains strong. Bond markets now appear to have priced in a significant portion of this and we believe offer attractive real yields and potential diversification, if growth falters.

Equity valuations look demanding in places (most notably the US), but do not seem detached from earnings. We continue to prefer areas with lower valuations and a higher margin of safety. Europe has been a standout performer year-to-date but continues to look attractive on a global basis.

## Steven Andrew and Stefano Amato

Co-sub-fund managers

Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>414,941</b>	<b>40.49</b>
<b>Software &amp; computer services</b>					<b>47,522</b>	<b>4.64</b>
Alphabet 'A'	85,066	US\$			11,905	1.16
Dell Technologies 'C'	70,745	US\$			7,321	0.71
International Business Machines	57,741	US\$			10,196	1.00
Microsoft	27,799	US\$			10,863	1.06
Western Union	568,630	US\$			7,237	0.71
<b>Technology hardware &amp; equipment</b>					<b>75,549</b>	<b>7.37</b>
Apple	63,733	US\$			10,208	1.00
Broadcom	8,031	US\$			9,816	0.96
Brother Industries	73,300	¥			1,259	0.12
Canon	44,800	¥			1,237	0.12
Cisco Systems Delaware	215,930	US\$			9,961	0.97
DCC	63,206	£			4,260	0.42
Hewlett Packard Enterprise	360,862	US\$			10,093	0.98
Lenovo Group	3,278,000	HK\$			3,521	0.34
NetApp	79,993	US\$			7,803	0.76
NXP Semiconductors	23,429	US\$			5,329	0.52
Seiko Epson	68,600	¥			1,110	0.11
Texas Instruments	62,716	US\$			10,036	0.98
Tokyo Electron	3,800	¥			916	0.09
<b>Telecommunications service providers</b>					<b>19,373</b>	<b>1.89</b>
AT&T	342,325	US\$			5,577	0.54
BT Group	2,713,286	£			3,486	0.34
LG Uplus	374,639	KRW			2,592	0.25
Orange	100,594	€			1,094	0.11
Verizon Communications	145,094	US\$			5,599	0.55
Vodafone Group	1,253,673	£			1,025	0.10
<b>Health care providers</b>						
Sonic Healthcare	65,738	AU\$			<b>1,163</b>	<b>0.11</b>
<b>Medical equipment &amp; services</b>					<b>7,277</b>	<b>0.71</b>
CVS Health	46,762	US\$			3,443	0.34
Medtronic	47,615	US\$			3,834	0.37

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Pharmaceuticals &amp; biotechnology</b>					<b>37,230</b>	<b>3.63</b>
AbbVie	20,780	US\$			3,478	0.34
Amgen	11,124	US\$			2,952	0.29
Bristol-Myers Squibb	68,328	US\$			3,378	0.33
Gilead Sciences	46,170	US\$			3,125	0.31
Johnson & Johnson	21,177	US\$			3,101	0.30
Merck & Co	28,799	US\$			3,516	0.34
Novartis	38,358	CHF			3,426	0.33
Otsuka Holdings	70,200	¥			2,705	0.26
Pfizer	121,073	US\$			3,119	0.30
Roche Holdings	12,525	CHF			2,929	0.29
Takeda Pharmaceutical	85,700	¥			2,209	0.22
Viartis	300,345	US\$			3,292	0.32
<b>Banks</b>					<b>29,116</b>	<b>2.84</b>
Australia & New Zealand Banking Group	174,622	AU\$			3,085	0.30
Bank of Nova Scotia	107,456	CA\$			5,083	0.50
Canadian Imperial Bank of Commerce	109,706	CA\$			5,075	0.50
Intesa Sanpaolo	1,958,382	€			6,602	0.64
KBC Group	61,895	€			4,307	0.42
Sberbank of Russia <sup>ab</sup>	86,439	RUB			0	0.00
US Bancorp	122,254	US\$			4,964	0.48
<b>Investment banking &amp; brokerage services</b>					<b>9,137</b>	<b>0.89</b>
Blackstone	39,564	US\$			4,802	0.47
Samsung Securities	103,676	KRW			2,905	0.28
SBI Holdings	58,900	¥			1,430	0.14
<b>Life insurance</b>						
Prudential Financial	49,651	US\$			<b>5,386</b>	<b>0.53</b>
<b>Non-life insurance</b>						
MS&AD Insurance Group Holdings	91,500	¥			<b>1,496</b>	<b>0.15</b>
<b>Real estate investment trusts</b>					<b>14,379</b>	<b>1.40</b>
Annaly Capital Management	267,635	US\$			4,812	0.47
Boston Properties	38,417	US\$			2,245	0.22

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Real estate investment trusts (continued)</b>						
Dexus	265,939	AU\$			1,265	0.12
Home REIT <sup>a</sup>	7,805,058	£			1,296	0.13
Japan Metropolitan Fund Invest	1,548	¥			896	0.09
Medical Properties Trust	289,040	US\$			1,241	0.12
Simon Property Group	18,508	US\$			2,624	0.25
<b>Automobiles &amp; parts</b>					<b>8,725</b>	<b>0.85</b>
Aisin	80,500	¥			3,038	0.30
Kia	73,684	KRW			5,687	0.55
<b>Household goods &amp; home construction</b>					<b>12,063</b>	<b>1.18</b>
Newell Brands	797,204	US\$			5,773	0.56
Whirlpool	57,665	US\$			6,290	0.62
<b>Leisure goods</b>						
Hasbro	133,258	US\$			<b>6,919</b>	<b>0.68</b>
<b>Personal goods</b>						
Kao	24,200	¥			<b>839</b>	<b>0.08</b>
<b>Retailers</b>					<b>19,485</b>	<b>1.90</b>
Canadian Tire 'A'	60,291	CA\$			5,509	0.54
Coles Group	189,265	AU\$			1,930	0.19
J Sainsbury	1,649,627	£			5,213	0.51
Tesco	883,322	£			3,088	0.30
Walgreens Boots Alliance	184,788	US\$			3,745	0.36
<b>Travel &amp; leisure</b>						
Darden Restaurants	49,244	US\$			<b>7,622</b>	<b>0.74</b>
<b>Beverages</b>						
Kirin Holdings	63,300	¥			<b>816</b>	<b>0.08</b>
<b>Food producers</b>					<b>13,310</b>	<b>1.30</b>
Conagra Brands	160,585	US\$			4,382	0.43
Kellogg	79,048	US\$			4,136	0.40
Kraft Heinz	141,855	US\$			4,792	0.47
<b>Electricity</b>					<b>6,049</b>	<b>0.59</b>
Algonquin Power & Utilities	476,151	CA\$			2,734	0.27

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Electricity (continued)</b>						
Edison International	51,575	US\$			3,315	0.32
<b>General industrials</b>						
AGC	84,500	¥			<b>2,843</b>	<b>0.28</b>
<b>Industrial engineering</b>						
Isuzu Motors	230,100	¥			2,878	0.28
Komatsu	91,400	¥			2,502	0.24
Snap-on	24,031	US\$			6,613	0.65
<b>Industrial transportation</b>						
AP Moller – Maersk 'B'	3,974	DKK			4,793	0.47
COSCO SHIPPING Holdings 'H'	905,000	HK\$			884	0.08
Mitsui OSK Lines	163,900	¥			4,638	0.45
Union Pacific	28,774	US\$			6,528	0.64
United Parcel Service 'B'	43,622	US\$			5,938	0.58
<b>Industrial materials</b>						
International Paper	62,129	US\$			<b>2,262</b>	<b>0.22</b>
<b>Industrial metals &amp; mining</b>						
Fastenal	98,758	US\$			7,052	0.69
JFE Holdings	84,300	¥			1,293	0.12
Rio Tinto	45,662	AU\$			3,349	0.33
South32	1,747,541	AU\$			3,160	0.31
<b>Chemicals</b>						
Dow	43,223	US\$			2,325	0.22
LyondellBasell Industries 'A'	24,442	US\$			2,333	0.23
<b>Non-renewable energy</b>						
Chesapeake Energy	94,476	US\$			7,686	0.75
Coterra Energy Inc	289,076	US\$			7,436	0.72
Lukoil ADR <sup>ab</sup>	5,672	US\$			0	0.00
Pioneer Natural Resources Co	33,718	US\$			8,163	0.80
Woodside Energy Group	87,089	AU\$			1,599	0.16
<b>Gas, water &amp; multi-utilities</b>						
Enagas	87,372	€			1,204	0.12

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Gas, water &amp; multi-utilities (continued)</b>						
Endesa	72,078	€			1,239	0.12
Southern	51,448	US\$			3,387	0.33
SSE	67,881	£			1,303	0.13
<b>Equity derivatives</b>					<b>77</b>	<b>0.01</b>
<b>Equity index futures</b>					<b>77</b>	<b>0.01</b>
Hang Seng China Enterprises Index Futures	379	HK\$	29.04.2024	13,049	89	0.01
Hang Seng Stock Index Futures	155	HK\$	29.04.2024	15,191	(12)	0.00
<b>Fixed income</b>					<b>596,871</b>	<b>58.24</b>
<b>Debt securities</b>					<b>596,871</b>	<b>58.24</b>
<b>'AAA' credit rated bonds</b>					<b>110,846</b>	<b>10.82</b>
European Bank for Reconstruction & Development 5.5%	400,000,000	PHP	10.03.2026		6,571	0.64
Germany (Federal Republic of) 1.8%	49,013,683	€	15.08.2053		42,257	4.12
Germany (Federal Republic of) 2.3%	50,391,434	€	15.02.2033		50,485	4.93
International Bank for Reconstruction & Development 6.85%	1,040,000,000	INR	24.04.2028		11,533	1.13
<b>'AA' credit rated bonds</b>					<b>194,983</b>	<b>19.03</b>
UK Gilt 0.5%	40,400,000	£	22.10.2061		14,554	1.42
UK Gilt 3.25%	27,690,154	£	31.01.2033		30,839	3.01
US Treasury Bill 0%	57,900,000	US\$	13.06.2024		53,089	5.18
US Treasury Note 3%	61,474,000	US\$	15.08.2052		44,155	4.31
US Treasury Note 3.5%	59,654,700	US\$	15.02.2033		52,346	5.11
<b>'A' credit rated bonds</b>					<b>36,568</b>	<b>3.57</b>
Chile (Republic of) 5.8%	26,250,000,000	CLP	01.06.2024		24,709	2.41
Poland (Republic of) 3.75%	53,300,000	PLN	25.05.2027		11,859	1.16
<b>'BBB' credit rated bonds</b>					<b>117,684</b>	<b>11.48</b>
Banco Comercial Português FRN	3,200,000	€	12.02.2027		3,038	0.30
Cellnex Finance 2.25%	3,100,000	€	12.04.2026		3,013	0.29
Colombia (Republic of) 6%	75,500,000,000	COP	28.04.2028		16,112	1.57
Discover Bank 2.45%	3,400,000	US\$	12.09.2024		3,106	0.30
Enel Finance America 7.1%	3,050,000	US\$	14.10.2027		2,995	0.29
Entergy 0.9%	3,550,000	US\$	15.09.2025		3,088	0.30

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Global Payments 4.95%	3,330,000	US\$	15.08.2027		3,067	0.30
HCA 5.875%	3,300,000	US\$	15.02.2026		3,074	0.30
Heimstaden Bostad 1.125%	3,350,000	€	21.01.2026		3,020	0.29
HKT Capital No. 2 3.625%	2,780,000	US\$	02.04.2025		2,530	0.25
Indonesia (Republic of) 6.5%	205,000,000,000	IDR	15.06.2025		12,013	1.17
Informa 2.125%	2,600,000	€	06.10.2025		2,536	0.25
Johnson Controls International Via Tyco Fire & Security Finance 0.375%	3,400,000	€	15.09.2027		3,069	0.30
Mexico (United Mexican States) 10%	300,000,000	MXN	05.12.2024		16,670	1.63
Mileage Plus Holdings Via Mileage Plus Intellectual Property Assets 6.5%	2,762,500	US\$	20.06.2027		2,575	0.25
Otis Worldwide 2.056%	3,400,000	US\$	05.04.2025		3,049	0.30
Peru (Republic of) 6.95%	48,000,000	PEN	12.08.2031		12,010	1.17
Philippines (Republic of) 6.25%	354,000,000	PHP	14.01.2036		5,468	0.53
Rogers Communications 3.2%	2,900,000	US\$	15.03.2027		2,552	0.25
Smiths Group PLC, EMTN 2%	3,200,000	€	23.02.2027		3,069	0.30
Traton Finance Luxembourg 4.125%	3,000,000	€	22.11.2025		3,012	0.29
Virgin Money FRN	2,650,000	£	25.09.2026		3,028	0.30
WPP Finance 2.375%	2,600,000	€	19.05.2027		2,520	0.25
Zimmer Biomet Holdings 1.45%	3,400,000	US\$	22.11.2024		3,070	0.30
<b>'BB' credit rated bonds</b>					<b>71,578</b>	<b>6.98</b>
Air Canada 3.875%	2,900,000	US\$	15.08.2026		2,570	0.25
APX Group 6.75%	2,700,000	US\$	15.02.2027		2,515	0.24
Banca Monte dei Paschi di Siena FRN	2,840,000	€	05.09.2027		2,975	0.29
Banco de Crédito Social Cooperativo FRN	2,800,000	€	22.09.2026		2,945	0.29
Brazil (Federal Republic of) 10%	90,000,000	BRL	01.01.2025		16,714	1.63
Greenko 3.85%	3,515,000	US\$	29.03.2026		3,069	0.30
Grünenthal 3.625%	3,100,000	€	15.11.2026		3,043	0.30
Hilton Worldwide Finance Via Hilton Worldwide Finance 4.875%	2,800,000	US\$	01.04.2027		2,554	0.25
Infrastrutture Wireless Italiane 1.875%	3,150,000	€	08.07.2026		3,027	0.29

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Newell Brands 5.7%	2,780,000	US\$	01.04.2026		2,529	0.25
Pinewood Finance 3.625%	2,300,000	£	15.11.2027		2,522	0.25
Piraeus Bank FRN	2,850,000	€	28.01.2027		3,056	0.30
Royal Caribbean Cruises 5.5%	2,800,000	US\$	31.08.2026		2,573	0.25
South Africa (Republic of) 8%	381,000,000	ZAR	31.01.2030		16,459	1.61
United Airlines 4.375%	2,800,000	US\$	15.04.2026		2,509	0.24
ZF Finance 2%	2,700,000	€	06.05.2027		2,518	0.24
<b>'B' credit rated bonds</b>					<b>56,236</b>	<b>5.49</b>
Ardagh Packaging Finance Via Ardagh Holdings USA 5.25%	3,330,000	US\$	30.04.2025		2,985	0.29
Banijay Group 6.5%	2,530,000	€	01.03.2026		2,548	0.25
Boparan Finance 7.625%	2,710,000	£	30.11.2025		3,007	0.29
Boxer Parent 6.5%	2,500,000	€	02.10.2025		2,505	0.24
Community Health Systems 5.625%	3,650,000	US\$	15.03.2027		3,120	0.31
Dave & Buster's 7.625%	2,700,000	US\$	01.11.2025		2,529	0.25
DISH Network 11.75%	2,600,000	US\$	15.11.2027		2,483	0.24
Douglas 6%	2,450,000	€	08.04.2026		2,489	0.24
Medco Bell 6.375%	3,400,000	US\$	30.01.2027		3,074	0.30
Tenet Healthcare 6.25%	3,300,000	US\$	01.02.2027		3,058	0.30
Transocean 11.5%	3,150,000	US\$	30.01.2027		3,047	0.30
Trivium Packaging Finance 5.5%	3,350,000	US\$	15.08.2026		3,060	0.30
Turkey (Republic of) 9.875%	12,000,000	US\$	15.01.2028		12,255	1.20
Verisure Holding 3.875%	2,600,000	€	15.07.2026		2,572	0.25
Verisure Holding 9.25%	2,300,000	€	15.10.2027		2,464	0.24
Victoria 3.625%	3,100,000	€	24.08.2026		2,495	0.24
Virgin Media Secured Finance 5%	2,200,000	£	15.04.2027		2,545	0.25
<b>'CCC' credit rated bonds</b>					<b>8,970</b>	<b>0.87</b>
CGG 8.75%	3,450,000	US\$	01.04.2027		2,901	0.28
Selecta Group 8%	3,100,000	€	01.04.2026		3,038	0.30
Sigma Holdco 5.75%	3,200,000	€	15.05.2026		3,031	0.29

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt securities (continued)</b>						
<b>Bonds with no credit rating</b>						
TRU Taj 12% <sup>a</sup>	131,000	US\$	30.03.2040		6	0.00
<b>Currency</b>					<b>(960)</b>	<b>(0.09)</b>
<b>Forward currency contracts</b>					<b>(960)</b>	<b>(0.09)</b>
Bought for US\$ 11,492,941.16, Sold for KRW 15,303,425,806.00			23.04.2024	21,197	149	0.02
Bought for AU\$ 2,727,287.50, Sold for € 1,640,550.65			30.04.2024	1,641	0	0.00
Bought for CA\$ 1,814,186.08, Sold for € 1,235,773.68			30.04.2024	1,237	1	0.00
Bought for € 17,373,135.88, Sold for AU\$ 28,554,463.54			30.04.2024	17,185	193	0.02
Bought for € 20,009,650.47, Sold for CA\$ 29,177,694.13			30.04.2024	19,897	126	0.01
Bought for € 7,113,003.64, Sold for CHF 6,600,540.89			30.04.2024	6,758	342	0.03
Bought for € 117,973,637.13, Sold for £ 100,852,005.20			30.04.2024	117,947	138	0.01
Bought for € 8,553,393.92, Sold for HK\$ 72,497,566.16			30.04.2024	8,591	(36)	0.00
Bought for € 39,438,152.41, Sold for ¥ 6,257,339,592.00			30.04.2024	38,332	1,003	0.10
Bought for € 454,289,390.42, Sold for US\$ 493,802,469.77			30.04.2024	457,881	(3,094)	(0.30)
Bought for £ 35,632,629.17, Sold for € 41,388,868.89			30.04.2024	41,673	244	0.02
Bought for ¥ 1,045,989,382.00, Sold for € 6,531,959.04			30.04.2024	6,408	(107)	(0.01)
Bought for US\$ 23,068,235.05, Sold for € 21,295,616.61			30.04.2024	21,391	71	0.01
Bought for US\$ 332,766.53, Sold for TW\$ 10,293,467.00			30.04.2024	607	10	0.00
<b>Portfolio of investments</b>					<b>1,010,852</b>	<b>98.64</b>
<b>Share class hedging</b>					<b>1,672</b>	<b>0.17</b>
Bought for CHF 428,978.25, Sold for € 442,044.19			24.04.2024	439	(2)	0.00
Bought for € 8,838.46, Sold for CHF 8,576.49			24.04.2024	8	0	0.00
Bought for € 4,221,123.27, Sold for US\$ 4,580,085.34			24.04.2024	4,246	(21)	0.00
Bought for € 46,234.66, Sold for ZAR 949,402.00			24.04.2024	46	0	0.00
Bought for SG\$ 220,395.92, Sold for € 151,279.93			24.04.2024	151	0	0.00
Bought for US\$ 402,732,259.44, Sold for € 371,409,197.31			24.04.2024	373,437	1,711	0.17
Bought for ZAR 174,699,472.50, Sold for € 8,495,796.37			24.04.2024	8,502	(16)	0.00
<b>Total portfolio</b>					<b>1,012,524</b>	<b>98.81</b>
Net other assets/(liabilities)					12,271	1.19
<b>Net assets</b>					<b>1,024,795</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Equity securities	414,864	40.48
Debt securities	596,871	58.24
Unrealised gains on futures contracts	89	0.01
Unrealised gains on forward currency contracts	3,988	0.39
<b>Total Investment assets</b>	<b>1,015,812</b>	<b>99.12</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(12)	0.00
Unrealised losses on forward currency contracts	(3,276)	(0.31)
<b>Total Investment liabilities</b>	<b>(3,288)</b>	<b>(0.31)</b>
<b>Total portfolio</b>	<b>1,012,524</b>	<b>98.81</b>
<b>Net other assets/(liabilities)</b>	<b>12,271</b>	<b>1.19</b>
<b>Net assets</b>	<b>1,024,795</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> As part of the sub-fund merger between the M&G (Lux) Income Allocation Fund and M&G (Lux) Emerging Markets Income Opportunities Fund on 6 May 2022, two sanctioned Russian-listed securities were transferred into the beneficial ownership of the M&G (Lux) Income Allocation Fund. As both sub-funds have been prohibited from selling these assets, they have remained in a custody account of M&G (Lux) Emerging Markets Income Opportunities Fund.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	89
Barclays Bank London	159	0
Citigroup Global Markets Limited	29	0
HSBC Bank Plc	1,424	0
Merrill Lynch Pierce Fenner + Smith Inc	245	0
Royal Bank of Canada, London Branch	48	0
State Street Bank and Trust Company	1,713	0
State Street Bank and Trust Company, London Branch	248	0
UBS AG London	138	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.



# Financial highlights

## Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+5.9	+0.8	+2.4	+3.6	07.11.13	16.01.18
Class 'A' Distribution	+5.9	+0.8	+2.4	+3.6	07.11.13	16.01.18
Class 'A Q' Distribution	+5.9	+0.8	+2.3	+1.9	08.05.15	16.01.18
Class 'B' Accumulation	+5.3	+0.3	+1.9	+2.6	11.09.15	16.01.18
Class 'B Q' Distribution	+5.3	+0.3	+1.8	+2.6	11.09.15	16.01.18
Class 'C' Accumulation	+6.8	+1.7	+3.3	+4.4	07.11.13	16.01.18
Class 'C' Distribution	+6.8	+1.7	+3.3	+4.4	07.11.13	16.01.18
Class 'C Q' Distribution	+6.8	+1.7	+3.2	+2.7	08.05.15	16.01.18
Class 'CI' Accumulation	+6.8	+1.7	+3.3	+4.4	07.11.13	16.01.18
Class 'JI' Accumulation	+6.9	+1.8	n/a	+1.5	n/a	13.12.19
Class 'ZI' Distribution	+7.5	+2.4	+4.0	+3.0	n/a	08.05.18
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	+6.1	+2.0	+3.6	+4.2	09.10.15	16.01.18
Class 'A-H' Distribution	+6.1	+2.0	+3.6	+4.2	09.10.15	16.01.18
Class 'C-H' Accumulation	+7.0	+2.8	+4.5	+5.1	09.10.15	16.01.18
Class 'C-H' Distribution	+7.0	+2.9	+4.5	+5.1	09.10.15	16.01.18
<b>South African rand</b>						
Class 'A-H F1' Distribution	+10.7	n/a	n/a	+4.0	n/a	23.09.21
Class 'X-H F1' Distribution	+9.7	n/a	n/a	+3.0	n/a	23.09.21
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+3.5	-0.2	+1.7	+2.9	07.11.13	16.01.18
Class 'C-H' Accumulation	+4.4	+0.6	+2.5	+3.7	07.11.13	16.01.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A-H' Accumulation	+7.8	+2.8	+4.3	+4.8	09.10.15	16.01.18
Class 'A-H' Distribution	+7.9	+2.8	+4.4	+4.8	09.10.15	16.01.18
Class 'A-H F' Distribution	+7.9	+2.8	n/a	+3.8	n/a	19.11.20
Class 'C-H' Accumulation	+8.8	+3.6	+5.2	+5.6	09.10.15	16.01.18
Class 'C-H' Distribution	+8.8	+3.7	+5.2	+5.6	09.10.15	16.01.18
Class 'X-H' Accumulation	+6.8	n/a	n/a	-0.7	n/a	23.11.21
Class 'X-H' Distribution	+6.8	+1.8	n/a	+4.1	n/a	24.06.20
Class 'X-H F' Distribution	+6.8	+1.7	n/a	+2.8	n/a	19.11.20

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 16 January 2018 is that of the relevant Merged Share Class of the M&G Income Allocation Fund, which includes UK taxes but excludes entry and exit charges. The M&G Income Allocation Fund is a UK authorised sub-fund which launched on 7 November 2013 and its non-Sterling share classes merged into M&G (Lux) Income Allocation Fund on 16 March 2018.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	16,132,316.358	10.7115	10.1183	11.0083	1.74
Class 'A' Distribution	25,220,100.161	8.6682	8.5382	9.6229	1.74
Class 'A Q' Distribution	3,965,240.027	8.7452	8.6072	9.6987	1.74
Class 'B' Accumulation	1,144,583.038	10.3860	9.8596	10.7806	2.23
Class 'B Q' Distribution	3,277,972.706	8.4768	8.3847	9.4960	2.23
Class 'C' Accumulation	1,706,149.131	11.2922	10.5764	11.4091	0.88
Class 'C' Distribution	3,261,169.384	9.1395	8.9260	9.9745	0.89
Class 'C Q' Distribution	3,539.670	9.2114	8.9897	10.0420	0.89
Class 'CI' Accumulation	10,291,646.852	11.3214	10.6006	11.4310	0.85
Class 'JI' Accumulation	1,269,986.249	10.6631	9.9742	10.7448	0.75
Class 'ZI' Distribution	4,600.000	9.7479	9.4560	10.4930	0.20
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	5,323.800	11.6440	10.9730	11.6758	1.76
Class 'A-H' Distribution	5,057.704	9.4181	9.2557	10.1987	1.76
Class 'C-H' Accumulation	5,059.542	12.2722	11.4703	12.1010	0.91
Class 'C-H' Distribution	5,066.399	9.9307	9.6778	10.5696	0.91
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H F1' Distribution	469,261.541	120.1542	122.5582	145.0954	1.75
Class 'X-H F1' Distribution	1,005,554.855	117.0158	120.6264	144.3467	2.75
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	15,948.786	10.2827	9.9335	10.8825	1.76
Class 'C-H' Accumulation	24,076.925	10.8384	10.3803	11.2758	0.91

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A-H' Accumulation	932,982.446	12.1652	11.2838	11.9171	1.75
Class 'A-H' Distribution	169,559.349	9.8750	9.5450	10.4406	1.75
Class 'A-H F' Distribution	792,981.753	82.9404	84.2188	98.6681	1.75
Class 'C-H' Accumulation	5,027.145	12.8410	11.8073	12.3639	0.91
Class 'C-H' Distribution	5,033.788	10.3944	9.9624	10.7999	0.91
Class 'X-H' Accumulation	187,227.162	9.8285	9.2026	9.8196	2.75
Class 'X-H' Distribution	440,297.130	10.2172	9.9888	11.0511	2.75
Class 'X-H F' Distribution	3,931,606.979	80.0190	82.1081	97.2327	2.75

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<b>NAV at sub-fund level</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Net assets	1,024,795	1,117,224	1,239,091
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>1,024,795</b>	<b>1,117,224</b>	<b>1,239,091</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The period under review saw a strong rebound in global equities. Most major equity markets registered strong gains, with the US and Japan outperforming other regions. China was the only notable exception to this positive trend. Japanese equities posted robust double-digit returns in euro terms, and marginally outperformed the MSCI World Index.

Japanese stockmarkets rallied strongly from late October onwards and ended 2023 with a powerful two-month rally. Despite weaker-than-expected economic growth, Japanese equities continued their strong performance in 2024 as further weakness in the Japanese yen provided a tailwind for export-oriented companies.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of the MSCI Japan Net Return Index across all of its share classes in the period under review. The index returned 26.5% in euro terms and 25.8% in US dollar terms over the period.

Both sector allocation and security selection contributed positively to relative performance. Our above-benchmark exposure and favourable stock selection in industrials added the most value. Conversely, our underweight and unfavourable stock picking in technology detracted the most from relative returns.

At the stock level, top contributors included our holdings in machine maker Toyota Industries, Mitsubishi UFJ Financial and NEC. The leading detractors were biotechnology firm PeptiDream, Seven & I Holdings and recruitment agency DIP Corporation.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

Throughout the year, we continued to identify and initiate new positions in companies where we feel we have a differentiated view of the risk of ownership.

Our aim is for stock selection to be the main driver of performance, rather than any particular theme or investment style.

In May 2023, we began a new position in materials and electronics business Taiyo Yuden, taking advantage of weakness in its share price to invest at an attractive valuation, in our view. Towards the end of the year, we initiated holdings in automotive supplier Aisin Corp, which is part of Toyota, and diversified industrial group AGC. We believe AGC is well-positioned to benefit from structural growth in the semiconductor sector.

In January 2024, we established a new position in Panasonic, a leading electronics manufacturer in Japan and globally. The company is a diversified conglomerate, and we feel that Panasonic is another shining example of a self-help driven earnings story, similar to Hitachi.

Over the period, we exited a number of positions including beverage company Kirin Holdings, advertising agency Dentsu, and technology consulting firm BIPROGY.

### Outlook

2023 was the strongest year in a decade for the Japanese equity market. Looking ahead, we need to acknowledge the valuation expansion that has occurred in Japan over the past year or so, as a result of the exceptionally strong rally in Japanese equities. Today, the excessive undervaluation has been removed from many large-cap stocks. Having said that, we believe the long-term opportunity from corporate restructuring and balance-sheet reform remains firmly intact and the pace of reform continues to accelerate.

# Investment review

## Carl Vine

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities</b>					<b>120,326,651</b>	<b>97.62</b>
<b>Chemicals</b>					<b>3,247,602</b>	<b>2.63</b>
Showa Denko	535,000	¥			1,879,023	1.52
Toray Industries	1,881,200	¥			1,368,579	1.11
<b>Aerospace &amp; defense</b>						
Kawasaki Heavy Industries	271,600	¥			<b>1,350,876</b>	<b>1.10</b>
<b>Building products</b>						
AGC	340,200	¥			<b>1,868,431</b>	<b>1.52</b>
<b>Electrical equipment</b>						
Ushio	807,800	¥			<b>1,560,696</b>	<b>1.27</b>
<b>Industrial conglomerates</b>						
Hitachi	408,400	¥			<b>5,625,338</b>	<b>4.56</b>
<b>Machinery</b>					<b>3,543,356</b>	<b>2.87</b>
FANUC	186,300	¥			785,722	0.64
Hitachi Zosen	1,170,000	¥			1,545,591	1.25
Yaskawa Electric	188,900	¥			1,212,043	0.98
<b>Trading companies &amp; distributors</b>						
Mitsui	748,500	¥			<b>5,285,589</b>	<b>4.29</b>
<b>Professional services</b>					<b>4,531,305</b>	<b>3.68</b>
BeNext-Yumeshin Group	797,600	¥			1,633,813	1.33
Recruit Holdings	436,300	¥			2,897,492	2.35
<b>Road &amp; rail</b>						
Keisei Electric Railway	338,700	¥			<b>2,080,094</b>	<b>1.69</b>
<b>Auto components</b>					<b>6,257,031</b>	<b>5.08</b>
Aisin	268,600	¥			1,654,874	1.34
Denso	466,900	¥			1,346,033	1.09
REE Automotive 'A'	105,194	US\$			92,448	0.08
Toyota Industries	200,800	¥			3,163,676	2.57
<b>Automobiles</b>					<b>12,953,392</b>	<b>10.51</b>
Honda Motor	1,666,300	¥			3,104,912	2.52
Toyota Motor	2,033,700	¥			7,758,350	6.29
Yamaha Motor	1,500,800	¥			2,090,130	1.70

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities (continued)</b>						
<b>Household durables</b>					<b>9,970,736</b>	<b>8.09</b>
Nikon	1,485,900	¥			2,267,942	1.84
Panasonic Holdings	1,123,300	¥			1,614,878	1.31
Sony Group	285,000	¥			3,686,375	2.99
Sumitomo Forestry	505,000	¥			2,401,541	1.95
<b>Specialty retail</b>					<b>4,096,142</b>	<b>3.32</b>
Fast Retailing	37,400	¥			1,750,419	1.42
Sanrio	806,100	¥			2,345,723	1.90
<b>Food &amp; staples retailing</b>						
Seven & i Holdings	2,528,400	¥			<b>5,574,291</b>	<b>4.52</b>
<b>Biotechnology</b>						
PeptiDream	815,600	¥			<b>1,151,810</b>	<b>0.93</b>
<b>Pharmaceuticals</b>					<b>3,261,253</b>	<b>2.64</b>
Astellas Pharma	883,200	¥			1,436,894	1.16
Takeda Pharmaceutical	433,500	¥			1,824,359	1.48
<b>Banks</b>						
Mitsubishi UFJ Financial Group	4,521,300	¥			<b>6,957,016</b>	<b>5.64</b>
<b>Diversified financial services</b>						
ORIX	1,513,100	¥			<b>5,005,080</b>	<b>4.06</b>
<b>Consumer finance</b>						
Credit Saison	874,400	¥			<b>2,723,096</b>	<b>2.21</b>
<b>Capital markets</b>					<b>2,338,655</b>	<b>1.90</b>
Nomura Holdings	1,589,800	¥			1,534,880	1.25
Sparx Group	427,840	¥			803,775	0.65
<b>IT services</b>					<b>4,434,062</b>	<b>3.60</b>
NEC	226,200	¥			2,500,642	2.03
NTT Data	807,200	¥			1,933,420	1.57
<b>Technology hardware, storage &amp; peripherals</b>						
FUJIFILM Holdings	424,800	¥			<b>1,441,137</b>	<b>1.17</b>
<b>Electronic equipment, instruments &amp; components</b>					<b>3,328,028</b>	<b>2.70</b>
Hamamatsu Photonics	172,200	¥			914,870	0.74
Keyence	14,200	¥			995,451	0.81

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities (continued)</b>						
<b>Electronic equipment, instruments &amp; components (continued)</b>						
Taiyo Yuden	396,300	¥			1,417,707	1.15
<b>Semiconductors &amp; semiconductor equipment</b>					<b>5,496,838</b>	<b>4.46</b>
Renesas Electronics	453,900	¥			1,223,362	0.99
Rohm	786,500	¥			1,893,194	1.54
Tokyo Electron	60,500	¥			2,380,282	1.93
<b>Diversified telecommunication services</b>						
Nippon Telegraph & Telephone	24,782,100	¥			<b>4,470,386</b>	<b>3.63</b>
<b>Wireless telecommunication services</b>						
SoftBank Group	319,300	¥			<b>2,866,551</b>	<b>2.32</b>
<b>Interactive media &amp; services</b>						
Dip	512,400	¥			<b>1,416,604</b>	<b>1.15</b>
<b>Real estate management &amp; development</b>					<b>7,491,256</b>	<b>6.08</b>
Mitsubishi Estate	1,439,200	¥			3,950,480	3.21
Mitsui Fudosan	2,178,600	¥			3,540,776	2.87
<b>Portfolio of investments</b>					<b>120,326,651</b>	<b>97.62</b>
<b>Share class hedging</b>					<b>(17,412)</b>	<b>(0.02)</b>
Bought for CHF 4,399,766.63, Sold for ¥ 740,250,992.00			24.04.2024	735,310	(5,519)	0.00
Bought for € 33,182,920.85, Sold for ¥ 5,417,904,022.00			24.04.2024	5,416,763	(12,613)	(0.02)
Bought for ¥ 9,791,584.00, Sold for CHF 58,181.25			24.04.2024	9,724	76	0.00
Bought for ¥ 17,189,457.00, Sold for € 105,164.25			24.04.2024	17,167	59	0.00
Bought for US\$ 2,233,268.04, Sold for ¥ 336,273,734.00			24.04.2024	338,040	585	0.00
<b>Total portfolio</b>					<b>120,309,239</b>	<b>97.60</b>
Net other assets/(liabilities)					2,954,617	2.40
<b>Net assets</b>					<b>123,263,856</b>	<b>100.00</b>

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value ¥'000	% of net assets
<b>Investment assets</b>		
Equity securities	120,326,651	97.62
Unrealised gains on forward currency contracts	720	0.00
<b>Total Investment assets</b>	<b>120,327,371</b>	<b>97.62</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(18,132)	(0.02)
<b>Total Investment liabilities</b>	<b>(18,132)</b>	<b>(0.02)</b>
<b>Total portfolio</b>	<b>120,309,239</b>	<b>97.60</b>
<b>Net other assets/(liabilities)</b>	<b>2,954,617</b>	<b>2.40</b>
<b>Net assets</b>	<b>123,263,856</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts ¥'000
State Street Bank and Trust Company	725

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+27.6	+11.0	+10.7	+4.6	28.11.01	26.10.18
Class 'A-H' Accumulation	+48.3	+20.7	+16.8	+13.2	n/a	06.11.18
Class 'C' Accumulation	+28.6	+11.9	+11.5	+5.4	28.11.01	26.10.18
Class 'C-H' Accumulation	+49.7	+21.5	+17.7	+14.0	n/a	06.11.18
Class 'CI' Accumulation	+28.6	+11.9	+11.5	+5.4	28.11.01	06.11.18
Class 'CI-H' Accumulation	n/a	n/a	n/a	+6.8 <sup>b</sup>	n/a	21.02.24
Class 'LI' Accumulation	+29.1	n/a	n/a	+30.7	n/a	22.03.23
Class 'LI' Distribution	+29.2	n/a	n/a	+20.8	n/a	16.06.22
<b>Japanese yen</b>						
Class 'A' Accumulation	+43.7	+19.8	+16.8	+6.6	28.11.01	06.11.18
Class 'C' Accumulation	+44.8	+20.7	+17.7	+7.3	28.11.01	06.11.18
Class 'CI' Accumulation	+44.9	+20.8	n/a	+19.4	n/a	28.05.19
Class 'CI' Distribution	+44.9	+20.8	n/a	+19.4	n/a	28.05.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Sterling</b>						
Class 'C' Accumulation	+25.2	+12.0	n/a	+10.4	n/a	05.07.19
Class 'C' Distribution	+25.2	+12.0	n/a	+10.5	n/a	05.07.19
Class 'CI' Accumulation	+25.2	+12.0	n/a	+10.5	n/a	05.07.19
Class 'CI' Distribution	+25.2	+12.0	n/a	+10.5	n/a	05.07.19
Class 'LI' Distribution	+25.7	n/a	n/a	+20.4	n/a	16.06.22
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+45.7	+19.7	+16.3	+12.7	n/a	06.11.18
Class 'C-H' Accumulation	+46.6	+20.6	+17.1	+13.5	n/a	06.11.18
<b>US dollar</b>						
Class 'A' Accumulation	+26.6	+7.9	+9.8	+7.0	09.10.15	26.10.18
Class 'A-H' Accumulation	+51.2	+23.0	+18.9	+15.3	n/a	06.11.18
Class 'C' Accumulation	+27.5	+8.7	+10.6	+7.8	09.10.15	26.10.18
Class 'C-H' Accumulation	+52.5	+23.9	+19.8	+16.2	n/a	06.11.18
Class 'CI' Accumulation	+27.6	+8.8	+10.6	+7.8	09.10.15	06.11.18
Class 'LI' Distribution	+28.1	n/a	n/a	+23.3	n/a	16.06.22

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Japan Fund, which includes UK taxes but excludes entry and exit charges. The M&G Japan Fund is a UK authorised sub-fund which launched on 6 April 1971 and its non-Sterling share classes merged into M&G (Lux) Japan Fund on 26 October 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,181,288.261	27.5475	21.5858	20.8487	1.72
Class 'A-H' Accumulation	1,175,914.849	19.5224	13.1652	11.8159	1.74
Class 'C' Accumulation	232,298.353	32.3600	25.1651	24.1239	0.95
Class 'C-H' Accumulation	510,731.982	20.3323	13.5814	12.1176	1.00
Class 'CI' Accumulation	735,162.187	16.1975	12.5922	12.0666	0.92
Class 'CI-H' Accumulation	4,600.000	10.6845	n/a	n/a	0.96
Class 'LI' Accumulation	8,642,760.720	13.1687	10.1974	n/a	0.53
Class 'LI' Distribution	2,519,734.769	13.7668	10.8579	n/a	0.52
<b>Japanese yen</b>		¥	¥	¥	
Class 'A' Accumulation	3,169.331	1,963.1274	1,365.7979	1,228.9320	1.72
Class 'C' Accumulation	270,397.326	2,043.7140	1,411.5645	1,260.6065	0.99
Class 'CI' Accumulation	2,237,119.328	2,362.8493	1,630.9686	1,455.9577	0.93
Class 'CI' Distribution	616,830.050	2,151.7591	1,514.9542	1,383.4522	0.93
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	193,303.036	16.0070	12.7891	11.8002	0.96
Class 'C' Distribution	30,200.000	14.6136	11.9099	11.2400	0.97
Class 'CI' Accumulation	120,779.888	16.0390	12.8098	11.8133	0.92
Class 'CI' Distribution	12,320.000	14.6399	11.9277	11.2526	0.91
Class 'LI' Distribution	6,301,307.019	13.6779	11.0824	n/a	0.53
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	97,696.994	19.0685	13.0911	11.8015	1.76
Class 'C-H' Accumulation	126,782.701	19.8462	13.5358	12.1072	1.01

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	56,161.765	17.7512	14.0208	13.8223	1.72
Class 'A-H' Accumulation	83,694.894	21.6137	14.2907	12.4677	1.78
Class 'C' Accumulation	483,633.234	18.9047	14.8214	14.5061	0.97
Class 'C-H' Accumulation	18,216.991	22.4785	14.7372	12.7776	0.98
Class 'CI' Accumulation	802,583.389	15.3135	12.0001	11.7371	0.92
Class 'LI' Distribution	25,883,792.531	14.2731	11.3473	n/a	0.53

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<b>NAV at sub-fund level</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>¥'000</b>	<b>¥'000</b>	<b>¥'000</b>
Net assets	123,263,856	13,620,425	9,928,227
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>123,263,856</b>	<b>13,620,425</b>	<b>9,928,227</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global stocks rallied in the year under review, aided by gains for US technology giants amid optimism about the prospects for artificial intelligence. Japanese shares were notable performers, with the Nikkei index setting a new high for the first time since 1989. Smaller Japanese companies also advanced, helped by the weak yen boosting export earnings.

The sub-fund posted positive returns in the period and outperformed its benchmark across its hedged share classes. It lagged the benchmark across its unhedged share classes. Index returns over the period were 18.4% in euro terms, 17.7% in US dollars and 16.0% in Swiss francs.

Security selection was beneficial for relative returns, though this was offset by detractor from sector allocation. Consumer discretionary provided the sub-fund's best active returns at the sector level, with stock picks outweighing a drag from an overweight position. An underweight in consumer staples and an overweight in real estate were also beneficial, along with security selection in both sectors. Industrials was the biggest drag on relative performance due to unfavourable security selection. Relative performance was also hindered by an underweight position and selection in technology.

An off-benchmark position in Trial Holdings was the biggest active contributor among stocks. The discount retailer surged following its IPO in March 2024.

A holding in Toyota Industries were also beneficial as the machinery-maker boosted sales and profits, aided by the weaker yen and cost-cutting. Real estate company Ichigo was another positive contributor, partly because of gains following the announcement of a stock buyback.

Recruitment company DIP was the biggest drag on relative performance after a reduction in its earnings guidance. Biotech PeptiDream also weighed on returns, along with beauty company Axxzia. Axxzia is a small-

cap company that is not widely understood by the market and, we believe, has significant growth potential.

Rohm, a manufacturer of semiconductor testing equipment and electronic measuring devices, was a further detractor. In our view, the market may be undervaluing the structural growth that lies ahead in Rohm's silicon carbide franchise.

### Investment activity

We were active throughout the year in both opening and closing positions, as we looked to take advantage of opportunities in the market.

Notable additions during the year included Ichigo. We have engaged with management at the company with the aim of enhancing shareholder value. We bought into Trial at the time of its IPO and invested in Net One Systems after its shares sold off, providing an attractive entry point. We added Nomura, following significant underperformance and because we feel management is now more focused on streamlining its global operations.

Other purchases included Seven & I Holdings, Taiyo Yuden and Panasonic. Seven & I, is the holding company of 7-eleven, Japan's largest convenience store operator, and we feel optimistic about the company's growth prospects. We began a new position in materials and electronics business Taiyo Yuden, taking advantage of weakness in its share price to invest at an attractive valuation, in our view. In January 2024, we established a new position in Panasonic, a leading electronics manufacturer in Japan and globally. The company is a diversified conglomerate, and we feel that Panasonic is another shining example of a self-help driven earnings story, similar to Hitachi.

Over the review period, we exited a number of positions including beverage company Kirin Holdings, advertising agency Dentsu, and technology consulting firm BIPROGY. We also sold the position in Rakuten Bank in November 2023, after its shares rallied sharply following its initial public offering, in which we were an anchor investor.



# Investment review

## Outlook

2023 was the strongest year in a decade for the Japanese equity market. Looking ahead, we need to acknowledge the valuation expansion that has occurred in Japan over the past year or so, as a result of the exceptionally strong rally in Japanese equities. Today, the excessive undervaluation has been removed from many stocks. Having said that, we believe the long-term opportunity from corporate restructuring and balance-sheet reform remains firmly intact and the pace of reform continues to accelerate.

## Carl Vine

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities</b>					<b>37,488,766</b>	<b>97.00</b>
<b>Software &amp; computer services</b>					<b>1,126,681</b>	<b>2.92</b>
Hamamatsu Photonics	91,700	¥			487,187	1.26
NET One Systems	240,300	¥			639,494	1.66
<b>Technology hardware &amp; equipment</b>					<b>2,621,288</b>	<b>6.78</b>
Megachips	71,900	¥			277,048	0.72
NEC	69,800	¥			771,639	2.00
Rohm	418,200	¥			1,006,654	2.60
Tazmo	151,300	¥			565,947	1.46
<b>Health care providers</b>						
Miraca Holdings	189,900	¥			<b>468,984</b>	<b>1.21</b>
<b>Pharmaceuticals &amp; biotechnology</b>						
PeptiDream	411,400	¥			<b>580,989</b>	<b>1.50</b>
<b>Finance &amp; credit services</b>					<b>1,979,040</b>	<b>5.12</b>
Credit Saison	297,500	¥			926,488	2.40
ORIX	318,200	¥			1,052,552	2.72
<b>Investment banking &amp; brokerage services</b>					<b>1,150,143</b>	<b>2.98</b>
Nomura Holdings	572,500	¥			552,723	1.43
Sparx Group	318,000	¥			597,420	1.55
<b>Real estate investment &amp; services</b>					<b>2,495,192</b>	<b>6.46</b>
Ichigo	2,421,600	¥			1,057,955	2.74
Mitsubishi Estate	523,600	¥			1,437,237	3.72
<b>Automobiles &amp; parts</b>					<b>4,996,206</b>	<b>12.93</b>
Aisin	96,500	¥			594,547	1.54
KYB	150,400	¥			771,253	2.00
NGK Spark Plug	189,100	¥			946,961	2.45
REE Automotive 'A'	32,164	US\$			28,267	0.07
Suzuki Motor	358,800	¥			618,327	1.60
Toyota Industries	74,900	¥			1,180,076	3.05
Yamaha Motor	615,200	¥			856,775	2.22
<b>Household goods &amp; home construction</b>					<b>1,687,568</b>	<b>4.37</b>
Sanrio	309,300	¥			900,052	2.33
Sumitomo Forestry	165,600	¥			787,516	2.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities (continued)</b>						
<b>Leisure goods</b>					<b>2,178,104</b>	<b>5.64</b>
Nikon	527,000	¥			804,364	2.08
Panasonic Holdings	520,400	¥			748,137	1.94
Shimano	27,700	¥			625,603	1.62
<b>Personal goods</b>						
Axxzia	611,600	¥			<b>515,957</b>	<b>1.34</b>
<b>Media</b>						
Dip	307,400	¥			<b>849,852</b>	<b>2.20</b>
<b>Retailers</b>					<b>1,806,605</b>	<b>4.67</b>
Seven & i Holdings	271,500	¥			598,568	1.55
Trial Holdings	460,731	¥			1,208,037	3.12
<b>Travel &amp; leisure</b>					<b>1,245,941</b>	<b>3.22</b>
Keisei Electric Railway	87,600	¥			537,987	1.39
Skymark Airlines	701,117	¥			707,954	1.83
<b>Food producers</b>						
Toyo Suisan Kaisha	98,600	¥			<b>911,243</b>	<b>2.36</b>
<b>Construction &amp; materials</b>						
Hitachi Zosen	700,700	¥			<b>925,638</b>	<b>2.39</b>
<b>Electronic &amp; electrical equipment</b>					<b>3,085,858</b>	<b>7.98</b>
Nippon Pillar Packing	132,800	¥			815,185	2.11
QD Laser	669,700	¥			364,373	0.94
Taiyo Yuden	151,900	¥			543,401	1.41
Ushio	491,300	¥			949,208	2.45
Yokogawa Electric	119,000	¥			413,691	1.07
<b>General industrials</b>					<b>1,357,926</b>	<b>3.51</b>
Central Security Patrols	209,400	¥			553,010	1.43
Noritsu Koki	253,300	¥			804,916	2.08
<b>Industrial engineering</b>					<b>3,307,326</b>	<b>8.56</b>
CKD	275,700	¥			832,401	2.15
Nabtesco	151,500	¥			383,224	0.99
Nippon Thompson	1,161,900	¥			743,117	1.92
Seibu Giken	275,200	¥			496,378	1.29

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
<b>Equities (continued)</b>						
<b>Industrial engineering (continued)</b>						
Shibaura Machine	127,200	¥			464,019	1.20
Yaskawa Electric	60,500	¥			388,187	1.01
<b>Industrial support services</b>					<b>1,017,369</b>	<b>2.63</b>
BeNext-Yumeshin Group	316,200	¥			647,708	1.68
SBS Holdings	89,800	¥			232,138	0.60
YCP Holdings Global	221,352	¥			137,523	0.35
<b>Industrial transportation</b>					<b>430,490</b>	<b>1.11</b>
Nippon Signal Company	375,500	¥			385,585	1.00
Sakai Moving Service	17,700	¥			44,905	0.11
<b>Chemicals</b>					<b>2,750,366</b>	<b>7.12</b>
Earth	56,800	¥			241,935	0.63
Showa Denko	55,000	¥			193,170	0.50
Sumitomo Bakelite	212,400	¥			964,539	2.50
T Hasegawa	234,800	¥			711,028	1.84
Toray Industries	879,300	¥			639,694	1.65
<b>Portfolio of investments</b>					<b>37,488,766</b>	<b>97.00</b>
<b>Share class hedging</b>					<b>(12,787)</b>	<b>(0.04)</b>
Bought for CHF 1,787,175.66, Sold for ¥ 300,698,202.00			24.04.2024	298,682	(2,251)	(0.01)
Bought for € 29,591,493.74, Sold for ¥ 4,831,476,213.00			24.04.2024	4,830,501	(11,208)	(0.03)
Bought for ¥ 4,188,716.00, Sold for CHF 24,889.21			24.04.2024	4,159	33	0.00
Bought for ¥ 409,736.00, Sold for € 2,509.61			24.04.2024	410	1	0.00
Bought for ¥ 13,673.00, Sold for US\$ 90.62			24.04.2024	14	0	0.00
Bought for US\$ 2,423,375.43, Sold for ¥ 364,895,332.00			24.04.2024	366,814	638	0.00
<b>Total portfolio</b>					<b>37,475,979</b>	<b>96.96</b>
Net other assets/(liabilities)					1,173,387	3.04
<b>Net assets</b>					<b>38,649,366</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value ¥'000	% of net assets
<b>Investment assets</b>		
Equity securities	37,488,766	97.00
Unrealised gains on forward currency contracts	672	0.00
<b>Total Investment assets</b>	<b>37,489,438</b>	<b>97.00</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(13,459)	(0.04)
<b>Total Investment liabilities</b>	<b>(13,459)</b>	<b>(0.04)</b>
<b>Total portfolio</b>	<b>37,475,979</b>	<b>96.96</b>
<b>Net other assets/(liabilities)</b>	<b>1,173,387</b>	<b>3.04</b>
<b>Net assets</b>	<b>38,649,366</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures
	Forward currency contracts ¥'000
State Street Bank and Trust Company	671

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+15.1	+8.2	+11.4	+7.4	28.11.01	26.10.18
Class 'A-H' Accumulation	+34.0	+17.8	+17.7	+14.2	n/a	06.11.18
Class 'C' Accumulation	+15.9	+9.0	+12.2	+8.2	28.11.01	26.10.18
Class 'C-H' Accumulation	+35.2	+18.6	+18.5	+15.0	n/a	06.11.18
Class 'CI' Accumulation	+16.0	+9.1	+12.3	+8.2	28.11.01	06.11.18
<b>Japanese yen</b>						
Class 'A' Accumulation	+29.6	+16.8	+17.6	+9.3	28.11.01	06.11.18
Class 'C' Accumulation	+30.6	+17.7	+18.5	+10.1	28.11.01	06.11.18
Class 'CI' Accumulation	+30.6	+17.7	n/a	+21.2	n/a	28.05.19
Class 'CI' Distribution	+30.6	+17.7	n/a	+21.2	n/a	28.05.19
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+31.6	+16.8	+17.0	+13.7	n/a	06.11.18
Class 'C-H' Accumulation	+32.2	+17.6	+17.9	+14.5	n/a	06.11.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+14.2	+5.2	+10.5	+8.7	09.10.15	26.10.18
Class 'A-H' Accumulation	+36.3	+19.9	+19.7	+16.3	n/a	06.11.18
Class 'C' Accumulation	+15.0	+6.0	+11.3	+9.5	09.10.15	26.10.18
Class 'C-H' Accumulation	+37.6	+20.9	+20.7	+17.3	n/a	06.11.18
Class 'CI' Accumulation	+15.1	+6.1	+11.4	+9.5	09.10.15	06.11.18

<sup>a</sup> Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Japan Smaller Companies Fund, which includes UK taxes but excludes entry and exit charges. The M&G Japan Smaller Companies Fund is a UK authorised fund which launched on 15 May 1984 and its non-Sterling share classes merged into M&G (Lux) Japan Smaller Companies Fund on 26 October 2018.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	861,203.533	48.9094	42.5035	38.3918	1.71
Class 'A-H' Accumulation	358,083.264	20.4869	15.2926	12.8191	1.72
Class 'C' Accumulation	397,600.388	57.7600	49.8231	44.6727	0.96
Class 'C-H' Accumulation	1,054,109.132	21.2580	15.7261	13.1133	1.00
Class 'CI' Accumulation	3,475,139.684	16.9504	14.6149	13.0973	0.92
<b>Japanese yen</b>		¥	¥	¥	
Class 'A' Accumulation	1,619.411	2,054.5119	1,585.1487	1,333.8351	1.71
Class 'C' Accumulation	2,137.073	2,139.3659	1,638.4378	1,368.3704	0.96
Class 'CI' Accumulation	4,359,102.721	2,540.4949	1,944.9255	1,623.7014	0.92
Class 'CI' Distribution	6,440.150	2,340.2861	1,826.4320	1,558.1078	0.92
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,420.000	19.9583	15.1668	12.8064	1.72
Class 'C-H' Accumulation	82,425.002	20.7413	15.6907	13.1436	0.98
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	34,861.823	20.2431	17.7326	16.3483	1.71
Class 'A-H' Accumulation	91,988.395	22.6488	16.6209	13.5540	1.73
Class 'C' Accumulation	330,956.148	21.5624	18.7473	17.1554	0.96
Class 'C-H' Accumulation	17,147.284	23.6357	17.1759	13.9207	0.98
Class 'CI' Accumulation	246,891.708	16.0256	13.9280	12.7399	0.92

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24	31.03.23	31.03.22
	¥'000	¥'000	¥'000
Net assets	38,649,366	7,107,776	4,183,347
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>38,649,366</b>	<b>7,107,776</b>	<b>4,183,347</b>

# Investment review

## For the period from 1 April 2023 until 10 November 2023

The sub-fund reached maturity and was closed during the period.

### Fund positioning

Prior to closure in November, the sub-fund was invested in a range of M&G sub-funds, across equities, fixed income and multi assets, which were a reflection of the M&G multi asset team's asset views. In terms of underlying asset exposure, the largest weightings were in developed market government bonds, corporate bonds, global equities and emerging market government bonds. The sub-fund also held cash.

### Performance review

The M&G (Lux) Multi Asset 2023 Fund delivered a negative total return (the combination of capital growth and income) across its share classes in the period up until sub-fund closure.

The sub-fund is actively managed and has no benchmark.

Financial markets were mixed at the start of the review period, with equity markets, broadly, benefiting from improving risk appetite, whereas sovereign bonds struggled as major central banks continued to raise interest rates to curb high inflation.

However, the prospect of higher for longer interest rates was a significant drag on financial markets over the summer months. But from late-October onwards there was a major rally across equities and bonds, as declining inflation led investors to grow increasingly confident there would be meaningful interest rate cuts in 2024.

The sub-fund posted a negative total return (the combination of capital growth and income) in the period up until sub-fund closure. Holdings in developed market government bonds, particularly US Treasuries and UK government bonds (gilts) were the main drag on performance. However, some exposure to high yield corporate debt was more supportive to performance.

Within equities, some holdings in US and Japanese equities were beneficial to performance.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Craig Moran

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class up to close date 13 December 2023

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'P' Accumulation <sup>a</sup>	-0.5	-0.8	+1.1	+0.2	14.12.17
Class 'P' Distribution <sup>a</sup>	-0.5	-0.8	+1.0	+0.2	14.12.17

<sup>a</sup> Returns are up to 13 December 2023 the close date of the share class.

# Financial highlights

## Shares in issue and Net Asset Values (NAV)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024 and Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024.

### Shares in issue and Net Asset Values

	Shares outstanding as at 31.03.24	as at 13.12.23 <sup>a</sup>	NAV per share as at 31.03.23	as at 31.03.22
<b>Euro</b>		€	€	€
Class 'P' Accumulation	n/a	10.1243	10.1771	10.4962
Class 'P' Distribution	n/a	8.8732	8.9196	9.4582

<sup>a</sup> Maturity date of the sub-fund.

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	n/a	115,756	130,212
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>n/a</b>	<b>115,756</b>	<b>130,212</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The sub-fund delivered positive returns across its share classes but underperformed the benchmark in a rising market dominated by a new economy elite. The benchmark returned 30.05% in euros and 29.27% in US dollars. The limited exposure to NVIDIA and Meta Platforms provided the biggest drag on performance relative to the benchmark. The zero weighting in Amazon.com also provided a headwind.

Air Products and Chemicals fell as investors took a sceptical view on the company's ability to deliver on its strategic plan. American Tower and Rexford Industrial Realty, which are both structured as real estate investment trusts (REITs), declined owing to concerns about interest-rate sensitivity.

Stock selection added value in technology, with the strongest contribution from Broadcom. The semiconductor stock doubled as a potential beneficiary of the structural growth in artificial intelligence (AI). Lam Research and KLA Corp also delivered impressive returns in semiconductors, while Microsoft outperformed in software.

JPMorgan Chase, Progressive Corp and Mastercard led the gains in financials.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

Trane Technologies, Rollins and Sherwin-Williams were added to the portfolio as potential beneficiaries of a recovery in the housing market, with the prospect of structural growth and cyclical growth which is not fully appreciated by the market, in our view. The sub-fund's exposure to industrials was boosted by the new purchase of Canadian Pacific Kansas City, a railroads company.

The weighting in financials increased with two new holdings: Progressive Corp and Ares Management. The

residual holding in First Republic Bank was sold. VF Corp provided a source of cash in consumer discretionary.

We invested in Meta Platforms after the owner of Facebook announced its maiden dividend. We believe that the strong momentum in operating performance can continue and support a rapidly rising dividend, a scenario which we think is not adequately reflected in an undemanding valuation. Meta also provides a welcome addition to Microsoft and Broadcom, which have played a crucial role in providing portfolio protection during new economy rallies. We reduced Microsoft and Broadcom into strength to manage their position size.

CDW joined the list of technology holdings. We also bought NVIDIA but exited the position after the standard bearer for AI jumped more than 40%. We sold KLA after the semiconductor stock rallied strongly.

In defensive sectors, the exposure to healthcare increased, helped by the new purchase of AbbVie. We also bought more UnitedHealth and Thermo Fisher Scientific. We added to NextEra Energy and Rexford in utilities and real estate, respectively. By contrast, the weighting in consumer staples was reduced to zero following the sale of Sysco, Mondelez International, Estee Lauder and Costco Wholesale.

### Outlook

The dominance of the new economy has provided a significant headwind for dividend strategies, but we have been keen to point out that the growth characteristics of this narrow elite are not unique. We see plenty of growth opportunities in a variety of sectors, with valuations which in many cases are far more attractive.

From a macroeconomic perspective, market expectations have shifted dramatically. Fears of rampant inflation have been quickly replaced by a broad consensus that interest rates have peaked, and that the Federal Reserve will embark upon a series of interest-rate cuts to deliver a soft landing. The narrative of 'higher for longer' has shifted from 'how high?' to 'how long?' with implications for investment opportunities.

## Investment review

We have been focusing our attention on companies hurt by rising rates, but not higher rates, with a particular focus on companies exposed to a potential recovery in the housing market. We are also excited about quality companies, where valuations were, until recently, the cheapest they have ever been.

We continue to be encouraged by the dividend increases we are seeing across the portfolio, and remain resolute in our belief that the majority of our holdings can sustain dividend growth in the 5-15% range over the long term, while offering an attractive yield. We are undeterred in our pursuit of dividend growth and remain committed to its viability not only as a source of rising income, but also as a total return strategy in the US market over the long term.

### John Weavers

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>285,857</b>	<b>98.55</b>
<b>Energy equipment &amp; services</b>						
Schlumberger	66,448	US\$			<b>3,651</b>	<b>1.26</b>
<b>Oil, gas &amp; consumable fuels</b>					<b>7,500</b>	<b>2.59</b>
Gibson Energy	259,985	CA\$			4,388	1.51
ONEOK	39,086	US\$			3,112	1.08
<b>Chemicals</b>					<b>9,122</b>	<b>3.15</b>
Air Products and Chemicals	14,494	US\$			3,529	1.22
Methanex	83,077	US\$			3,737	1.29
Sherwin-Williams	5,351	US\$			1,856	0.64
<b>Building products</b>						
Trane Technologies	6,617	US\$			<b>1,984</b>	<b>0.68</b>
<b>Commercial services &amp; supplies</b>						
Rollins	67,935	US\$			<b>3,194</b>	<b>1.10</b>
<b>Transportation infrastructure</b>						
Canadian Pacific Kansas City	31,483	US\$			<b>2,783</b>	<b>0.96</b>
<b>Textiles, apparel &amp; luxury goods</b>						
NIKE 'B'	23,792	US\$			<b>2,236</b>	<b>0.77</b>
<b>Diversified consumer services</b>						
Equifax	14,800	US\$			<b>3,882</b>	<b>1.34</b>
<b>Distributors</b>						
Pool	2,439	US\$			<b>1,012</b>	<b>0.35</b>
<b>Specialty retail</b>					<b>8,936</b>	<b>3.08</b>
Lowe's	16,688	US\$			4,223	1.46
Tractor Supply	18,118	US\$			4,713	1.62
<b>Health care providers &amp; services</b>					<b>21,288</b>	<b>7.34</b>
Elevance Health	14,959	US\$			7,778	2.68
UnitedHealth Group	27,398	US\$			13,510	4.66
<b>Biotechnology</b>						
AbbVie	21,611	US\$			<b>3,900</b>	<b>1.34</b>
<b>Pharmaceuticals</b>					<b>7,806</b>	<b>2.69</b>
Merck & Co	40,654	US\$			5,353	1.84
Zoetis	14,572	US\$			2,453	0.85

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Life sciences tools &amp; services</b>						
Thermo Fisher Scientific	12,393	US\$			7,152	2.47
<b>Banks</b>						
JPMorgan Chase	39,728	US\$			7,930	2.73
<b>Consumer finance</b>						
American Express	30,776	US\$			7,003	2.41
Mastercard 'A'	44,363	US\$			21,074	7.27
Visa 'A'	61,271	US\$			17,099	5.89
<b>Capital markets</b>						
Ares Management 'A'	27,769	US\$			3,694	1.27
BlackRock	13,913	US\$			11,616	4.01
S&P Global	9,702	US\$			4,100	1.41
<b>Insurance</b>						
Arthur J Gallagher & Co	27,130	US\$			6,724	2.32
Progressive	19,297	US\$			3,985	1.37
<b>IT services</b>						
Accenture 'A'	10,748	US\$			3,645	1.26
<b>Software</b>						
Intuit	7,052	US\$			4,579	1.58
Microsoft	61,394	US\$			25,873	8.92
<b>Communications equipment</b>						
Motorola Solutions	9,000	US\$			3,180	1.10
<b>Electronic equipment, instruments &amp; components</b>						
CDW	7,416	US\$			1,913	0.66
<b>Semiconductors &amp; semiconductor equipment</b>						
Broadcom	16,742	US\$			22,069	7.61
Lam Research	3,570	US\$			3,432	1.18
NVIDIA	3,106	US\$			2,796	0.96
NXP Semiconductors	11,326	US\$			2,778	0.96
QUALCOMM	29,694	US\$			5,014	1.73
<b>Diversified telecommunication services</b>						
Cogent Communications Holdings	95,603	US\$			6,187	2.13

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Interactive media &amp; services</b>						
Meta Platforms 'A'	15,628	US\$			7,717	2.66
<b>Electric utilities</b>						
NextEra Energy	131,219	US\$			8,327	2.87
<b>Real estate investment trusts</b>						
American Tower	33,390	US\$			6,582	2.27
Equinix	8,715	US\$			7,096	2.45
Rexford Industrial Realty	140,551	US\$			6,998	2.41
<b>Portfolio of investments</b>					<b>285,857</b>	<b>98.55</b>
<b>Cash equivalents</b>					<b>2,739</b>	<b>0.94</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	2,739,000	US\$			2,739	0.94
<b>Share class hedging</b>					<b>(55)</b>	<b>(0.02)</b>
Bought for € 168,507.15, Sold for CA\$ 248,223.50			24.04.2024	364	(1)	0.00
Bought for € 143.31, Sold for £ 123.04			24.04.2024	0	0	0.00
Bought for € 159.50, Sold for SG\$ 232.54			24.04.2024	0	0	0.00
Bought for € 10,839,859.02, Sold for US\$ 11,754,060.09			24.04.2024	11,691	(54)	(0.02)
Bought for € 215.39, Sold for ZAR 4,444.30			24.04.2024	0	0	0.00
Bought for £ 352.55, Sold for CA\$ 605.43			24.04.2024	1	0	0.00
Bought for £ 122.93, Sold for € 143.31			24.04.2024	0	0	0.00
Bought for £ 24,980.32, Sold for US\$ 31,577.00			24.04.2024	32	0	0.00
Bought for SG\$ 687.03, Sold for CA\$ 694.68			24.04.2024	2	0	0.00
Bought for SG\$ 232.37, Sold for € 159.50			24.04.2024	0	0	0.00
Bought for SG\$ 47,016.90, Sold for US\$ 34,993.23			24.04.2024	34	0	0.00
Bought for US\$ 35,230.60, Sold for € 32,498.54			24.04.2024	35	0	0.00
Bought for US\$ 124.80, Sold for £ 98.73			24.04.2024	0	0	0.00
Bought for US\$ 77.60, Sold for SG\$ 104.28			24.04.2024	0	0	0.00
Bought for ZAR 13,423.05, Sold for CA\$ 961.65			24.04.2024	2	0	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Share class hedging</b> (continued)						
Bought for ZAR 4,428.85, Sold for € 215.39			24.04.2024	0	0	0.00
Bought for ZAR 921,785.56, Sold for US\$ 48,607.25			24.04.2024	49	0	0.00
<b>Total portfolio</b>					<b>288,541</b>	<b>99.47</b>
Net other assets/(liabilities)					1,529	0.53
<b>Net assets</b>					<b>290,070</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					285,857	98.55
<b>Total Investment assets</b>					<b>285,857</b>	<b>98.55</b>
<b>Investment liabilities</b>						
Unrealised losses on forward currency contracts					(55)	(0.02)
<b>Total Investment liabilities</b>					<b>(55)</b>	<b>(0.02)</b>
<b>Total portfolio</b>					<b>285,802</b>	<b>98.53</b>
<b>Cash equivalents</b>					<b>2,739</b>	<b>0.94</b>
<b>Net other assets/(liabilities)</b>					<b>1,529</b>	<b>0.53</b>
<b>Net assets</b>					<b>290,070</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+28.5	+12.0	+12.7	+6.7	28.11.01	09.11.18
Class 'A' Distribution	+28.5	+12.0	+12.7	+13.7	08.08.14	09.11.18
Class 'A-H' Accumulation	+24.9	+6.6	+9.5	+7.8	12.09.08	09.11.18
Class 'C' Accumulation	+29.4	+12.9	+13.6	+7.3	28.11.01	09.11.18
Class 'C' Distribution	+29.4	+12.9	+13.6	+14.6	08.08.14	09.11.18
Class 'C-H' Accumulation	+25.8	+7.3	+10.3	+10.5	01.10.10	09.11.18
Class 'CI' Accumulation	+29.5	+12.9	+13.6	+7.3	28.11.01	19.11.18
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	n/a	n/a	n/a	+20.6 <sup>b</sup>	n/a	30.05.23
Class 'A-H M' Distribution	n/a	n/a	n/a	+20.6 <sup>b</sup>	n/a	30.05.23
<b>South African rand</b>						
Class 'A-H' Accumulation	+30.8	n/a	n/a	+11.0	n/a	21.04.22
Class 'X-H' Accumulation	+29.6	n/a	n/a	+9.9	n/a	21.04.22

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Sterling</b>						
Class 'C' Accumulation	+26.0	+13.0	n/a	+11.8	n/a	05.07.19
Class 'C' Distribution	+26.0	+13.0	n/a	+11.8	n/a	05.07.19
Class 'C-H' Accumulation	+27.3	n/a	n/a	+19.1	n/a	24.11.22
Class 'CI' Accumulation	+26.0	+13.0	n/a	+11.8	n/a	05.07.19
Class 'CI' Distribution	+26.0	+13.0	n/a	+11.8	n/a	05.07.19
<b>US dollar</b>						
Class 'A' Accumulation	+27.5	+8.9	+11.8	+7.8	09.03.07	09.11.18
Class 'A' Distribution	+27.5	+8.9	+11.8	+11.1	08.08.14	09.11.18
Class 'A M' Distribution	n/a	n/a	n/a	+22.4 <sup>b</sup>	n/a	30.05.23
Class 'A M F' Distribution	n/a	n/a	n/a	+1.2 <sup>b</sup>	n/a	06.03.24
Class 'C' Accumulation	+28.4	+9.8	+12.7	+8.6	09.03.07	09.11.18
Class 'C' Distribution	+28.4	+9.8	+12.7	+12.0	08.08.14	09.11.18
Class 'CI' Accumulation	+28.5	+9.8	+12.7	+8.7	09.03.07	19.11.18
Class 'CI' Distribution	+28.5	+9.8	n/a	+11.2	n/a	21.02.20
Class 'X' Accumulation	+26.2	n/a	n/a	+7.5	n/a	21.04.22
Class 'X M F' Distribution	n/a	n/a	n/a	+1.2 <sup>b</sup>	n/a	06.03.24

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G North American Dividend Fund, which includes UK taxes but excludes entry and exit charges. The M&G North American Dividend Fund is a UK authorised sub-fund which launched on 18 December 1972 and its non-Sterling share classes merged into M&G (Lux) North American Dividend Fund on 9 November 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,086,723.633	42.7622	33.2875	36.1423	1.83
Class 'A' Distribution	74,202.555	36.9163	29.1414	32.0967	1.83
Class 'A-H' Accumulation	193,262.755	32.1745	25.7531	29.6147	1.84
Class 'C' Accumulation	277,240.722	49.8009	38.4781	41.4658	1.07
Class 'C' Distribution	430.872	42.6741	33.4351	36.5469	1.08
Class 'C-H' Accumulation	139,232.074	35.3030	28.0634	32.0396	1.10
Class 'CI' Accumulation	338,426.473	20.0412	15.4786	16.6741	1.03
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,000.000	12.0607	n/a	n/a	1.86
Class 'A-H M' Distribution	2,001.000	11.9390	n/a	n/a	1.86
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H' Accumulation	2,577.656	183.6094	140.3791	n/a	1.84
Class 'X-H' Accumulation	2,566.667	180.2023	139.0704	n/a	2.85
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	23,959.838	16.9461	13.4518	13.9507	1.09
Class 'C' Distribution	1,011,886.142	15.9154	12.8101	13.4774	1.08
Class 'C-H' Accumulation	2,000.000	12.6683	9.9536	n/a	1.09
Class 'CI' Accumulation	4,836.252	16.9714	13.4716	13.9661	1.02
Class 'CI' Distribution	145,003.536	15.9488	12.8317	13.4940	1.03

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	3,636,993.565	36.1988	28.4019	31.4761	1.82
Class 'A' Distribution	432,605.727	31.2305	24.8493	27.9357	1.82
Class 'A M' Distribution	1,000.000	12.1206	n/a	n/a	1.82
Class 'A M F' Distribution	100.100	101.2418	n/a	n/a	1.95
Class 'C' Accumulation	447,277.900	41.1182	32.0226	35.2243	1.07
Class 'C' Distribution	291,591.234	35.1032	27.7229	30.9322	1.07
Class 'CI' Accumulation	258,939.815	18.9144	14.7244	16.1898	1.03
Class 'CI' Distribution	4,600.000	14.6781	11.5875	12.9240	1.03
Class 'X' Accumulation	1,518.070	11.5000	9.1126	n/a	2.82
Class 'X M F' Distribution	100.000	101.1815	n/a	n/a	2.94

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<b>NAV at sub-fund level</b>	<b>31.03.24 US\$'000</b>	<b>31.03.23 US\$'000</b>	<b>31.03.22 US\$'000</b>
Net assets	290,070	376,966	378,299
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>290,070</b>	<b>376,966</b>	<b>378,299</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

US stocks rallied in the review period and outperformed global indices as optimism about artificial intelligence (AI) sparked gains for mega-cap technology stocks, such as Meta, Microsoft and NVIDIA. Waning inflation concerns and expectations that the Federal Reserve (Fed) would start to lower interest rates bolstered the broader market.

The AI focus and an end to interest-rate hikes favoured growth stocks over value across the majority of the past 12 months. Value shares benefited in the first quarter of 2024 as expectations about the timing of interest rate cuts receded.

The sub-fund's value focus meant that it underperformed its benchmark, the S&P 500 Net Total Return Index, which returned 30.05% in euros and 29.27% in US dollars over the period. Both our below benchmark position (underweight) and stock selection in technology detracted from relative performance. Stock selection in the healthcare was also a notable detractor. On the other hand, our stock selection in Industrials was the greatest contributor to relative performance. Our above benchmark position (overweight) to financials and our selection in communication services also proved to be beneficial for relative performance.

At a stock level, not holding NVIDIA, Amazon and Microsoft as a result of our value investment style were the biggest detractors from the sub-fund's relative performance. An overweight in agricultural chemical maker FMC impacted returns amid declines in earnings, partly caused by distributors working through excess stock. An overweight in energy company AES was also a drag amid lower earnings and concerns about borrowing costs.

Conversely, not holding Apple boosted relative performance after its shares faltered amid regulatory concerns, sluggish growth and slowing iPhone sales in China. On this theme of the 'Magnificent Seven' (a group of high-performing technology stocks), not

holding Tesla and Alphabet was also beneficial for performance; and an overweight position in Facebook owner Meta was favourable as the stock gained on AI optimism. Separately, Constellation Energy was another positive after forecasting strong long-term profit growth

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We added a number of new positions during the 12 months, starting with PayPal and semiconductor equipment maker Amkor Technologies in April. Both companies had strong balance sheets and appealing valuations. We later entered a position in broker Charles Schwab following a sell-off stemming from the US regional banking crisis.

Further additions were made during periods of market weakness, including clothes maker VF Corp., industrial giant 3M, consumer health company Kenvue, retailer Best Buy, miner Champion Iron and crude oil tanker operator DHT Holdings. Other additions included Fabrinet, Lowes, Qualcomm, Spirit Aerosystems and Zimmer Biomet.

Exits during the 12 months included cashing in profits from medical devices manufacturer Stryker, delivery company FedEx, General Electric and KLA. We sold tanker operator Euronav following a quasi-takeover, and DXC Technology, Truist Financial and Tyson Foods.

### Outlook

We are witnessing a growing valuation gap in the US between the most expensive and the least expensive segments in the market, and this attractive opportunity set is being seen across the full spectrum of sectors. We believe this is a great environment for bottom-up value stock pickers to identify those companies at the cheaper end of the market with good growth profiles.

The future path of interest rates will likely be a key driver for US stocks in the year ahead, as sticky inflation dents hopes for rapid cuts by the Fed. Sustained high borrowing costs traditionally dent growth stocks by

# Investment review

eroding the value of future profits. By contrast, value stocks tend to perform better as investors receive dividends straightaway.

Economic growth in the US has so far weathered higher interest rates, providing a further boost to stocks. Concerns about a recession have faded away amid high employment numbers and resilient consumer spending.

Market risks include any rebound in inflation, potentially stemming from uncertainty in the Middle East boosting oil prices. That could deter the Fed from cutting rates, and potentially even spur more hikes, which could derail the economy.

## **Daniel White**

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.



# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>70,787</b>	<b>97.42</b>
<b>Oil, gas &amp; consumable fuels</b>					<b>3,641</b>	<b>5.01</b>
Chevron	9,151	US\$			1,431	1.97
Cobalt International Energy <sup>a</sup>	34,444	US\$			0	0.00
Devon Energy	26,516	US\$			1,312	1.80
Hess	3,357	US\$			508	0.70
Kosmos Energy	66,216	US\$			390	0.54
<b>Chemicals</b>						
FMC	7,551	US\$			<b>475</b>	<b>0.65</b>
<b>Construction materials</b>						
Eagle Materials	3,173	US\$			<b>855</b>	<b>1.18</b>
<b>Containers &amp; packaging</b>						
Westrock	11,892	US\$			<b>581</b>	<b>0.80</b>
<b>Metals &amp; mining</b>					<b>2,630</b>	<b>3.62</b>
Champion Iron	104,194	CA\$			495	0.68
Lundin Mining	108,949	CA\$			1,071	1.48
Newmont	6,181	US\$			220	0.30
Steel Dynamics	5,716	US\$			844	1.16
<b>Aerospace &amp; defense</b>						
Spirit AeroSystems Holdings 'A'	17,565	US\$			<b>626</b>	<b>0.86</b>
<b>Building products</b>						
Owens Corning	4,742	US\$			<b>794</b>	<b>1.09</b>
<b>Industrial conglomerates</b>						
3M	8,653	US\$			<b>911</b>	<b>1.25</b>
<b>Machinery</b>					<b>2,030</b>	<b>2.79</b>
Caterpillar	3,045	US\$			1,111	1.53
Oshkosh	7,467	US\$			919	1.26
<b>Professional services</b>						
ManpowerGroup	5,428	US\$			<b>414</b>	<b>0.57</b>
<b>Airlines</b>						
Southwest Airlines	25,403	US\$			<b>741</b>	<b>1.02</b>
<b>Marine</b>						
DHT Holdings	29,424	US\$			<b>336</b>	<b>0.46</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Road &amp; rail</b>						
CSX	27,922	US\$			<b>1,028</b>	<b>1.42</b>
<b>Auto components</b>						
Magna International	7,524	US\$			<b>409</b>	<b>0.56</b>
<b>Automobiles</b>						
General Motors	20,518	US\$			<b>915</b>	<b>1.26</b>
<b>Household durables</b>						
Best Buy	9,464	US\$			<b>782</b>	<b>1.08</b>
<b>Leisure products</b>						
Brunswick	4,205	US\$			<b>405</b>	<b>0.56</b>
<b>Textiles, apparel &amp; luxury goods</b>						
Tapestry	12,618	US\$			583	0.80
VF	43,568	US\$			654	0.90
<b>Internet &amp; direct marketing retail</b>						
eBay	16,347	US\$			<b>849</b>	<b>1.17</b>
<b>Specialty retail</b>						
Lowe's	3,391	US\$			<b>858</b>	<b>1.18</b>
<b>Food &amp; staples retailing</b>						
Kroger	23,546	US\$			<b>1,339</b>	<b>1.84</b>
<b>Beverages</b>						
Coca-Cola European Partners	13,557	US\$			968	1.33
Molson Coors Beverage 'B'	16,113	US\$			1,069	1.47
<b>Food products</b>						
Mondeléz International	16,420	US\$			<b>1,156</b>	<b>1.59</b>
<b>Household products</b>						
Energizer Holdings	16,362	US\$			<b>476</b>	<b>0.66</b>
<b>Personal products</b>						
Coty 'A'	31,869	US\$			377	0.52
Kenvue	50,839	US\$			1,090	1.50
<b>Health care equipment &amp; supplies</b>						
GE HealthCare Technologies	6,830	US\$			615	0.85
Medtronic	12,186	US\$			1,058	1.46

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Health care equipment &amp; supplies (continued)</b>						
Zimmer Biomet Holdings	5,067	US\$			671	0.92
<b>Health care providers &amp; services</b>					<b>1,240</b>	<b>1.71</b>
Elevance Health	1,816	US\$			944	1.30
Laboratory Corporation of America Holdings	1,366	US\$			296	0.41
<b>Biotechnology</b>						
AbbVie	7,663	US\$			<b>1,383</b>	<b>1.90</b>
<b>Pharmaceuticals</b>					<b>5,155</b>	<b>7.09</b>
Bristol-Myers Squibb	21,569	US\$			1,150	1.58
Johnson & Johnson	11,189	US\$			1,767	2.43
Merck & Co	8,267	US\$			1,089	1.50
Organon	14,747	US\$			271	0.37
Pfizer	31,608	US\$			878	1.21
<b>Banks</b>					<b>4,311</b>	<b>5.93</b>
Citigroup	15,791	US\$			989	1.36
JPMorgan Chase	10,403	US\$			2,076	2.86
Wells Fargo	21,628	US\$			1,246	1.71
<b>Diversified financial services</b>						
Voya Financial	8,880	US\$			<b>651</b>	<b>0.90</b>
<b>Capital markets</b>					<b>1,824</b>	<b>2.51</b>
Charles Schwab	14,205	US\$			1,023	1.41
Seagate Technology Holdings	8,479	US\$			801	1.10
<b>Insurance</b>					<b>3,192</b>	<b>4.39</b>
Hartford Financial Services Group	11,650	US\$			1,193	1.64
Reinsurance Group of America	4,507	US\$			872	1.20
Willis Towers Watson	4,084	US\$			1,127	1.55
<b>IT services</b>						
PayPal Holdings	12,994	US\$			<b>865</b>	<b>1.19</b>
<b>Software</b>					<b>3,050</b>	<b>4.20</b>
Check Point Software Technologies	5,146	US\$			845	1.17
Fiserv	5,650	US\$			903	1.24
Oracle	10,387	US\$			1,302	1.79

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Communications equipment</b>						
Cisco Systems Delaware	23,374	US\$			<b>1,163</b>	<b>1.60</b>
<b>Technology hardware, storage &amp; peripherals</b>						
Western Digital	8,414	US\$			<b>568</b>	<b>0.78</b>
<b>Electronic equipment, instruments &amp; components</b>						
Fabrinet	4,671	US\$			894	1.23
Vishay Intertechnology	23,380	US\$			527	0.73
<b>Semiconductors &amp; semiconductor equipment</b>						
Amkor Technology	32,242	US\$			1,057	1.45
Intel	28,707	US\$			1,250	1.72
Micron Technology	8,637	US\$			1,032	1.42
QUALCOMM	9,103	US\$			1,537	2.12
<b>Diversified telecommunication services</b>						
Verizon Communications	24,720	US\$			<b>1,029</b>	<b>1.42</b>
<b>Media</b>						
Comcast 'A'	18,847	US\$			<b>812</b>	<b>1.12</b>
<b>Entertainment</b>						
Warner Bros Discovery	52,833	US\$			<b>453</b>	<b>0.62</b>
<b>Interactive media &amp; services</b>						
Alphabet 'A'	19,230	US\$			2,902	4.00
Meta Platforms 'A'	5,240	US\$			2,588	3.56
<b>Electric utilities</b>						
Constellation Energy	5,884	US\$			1,096	1.51
Exelon	25,314	US\$			941	1.29
<b>Independent power and renewable electricity producers</b>						
AES	45,540	US\$			<b>786</b>	<b>1.08</b>
<b>Real estate investment trusts</b>						
Highwoods Properties	19,413	US\$			503	0.69
National Retail Properties	15,116	US\$			642	0.89
<b>Portfolio of investments</b>					<b>70,787</b>	<b>97.42</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Cash equivalents</b>					<b>1,601</b>	<b>2.20</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	1,601,000	US\$			<b>1,601</b>	<b>2.20</b>
<b>Share class hedging</b>					<b>(23)</b>	<b>(0.03)</b>
Bought for CHF 1,392.57, Sold for CA\$ 2,114.16			24.04.2024	4	0	0.00
Bought for CHF 247.14, Sold for € 254.38			24.04.2024	0	0	0.00
Bought for CHF 62,093.33, Sold for US\$ 69,384.23			24.04.2024	69	0	0.00
Bought for € 104,005.48, Sold for CA\$ 153,207.77			24.04.2024	225	0	0.00
Bought for € 213.15, Sold for CHF 208.51			24.04.2024	0	0	0.00
Bought for € 131.68, Sold for £ 112.93			24.04.2024	0	0	0.00
Bought for € 153.89, Sold for SG\$ 224.47			24.04.2024	0	0	0.00
Bought for € 4,411,433.48, Sold for US\$ 4,783,480.54			24.04.2024	4,758	(23)	(0.03)
Bought for £ 752.78, Sold for CA\$ 1,292.74			24.04.2024	2	0	0.00
Bought for £ 135.33, Sold for € 157.71			24.04.2024	0	0	0.00
Bought for £ 33,595.95, Sold for US\$ 42,467.80			24.04.2024	42	0	0.00
Bought for SG\$ 1,495.72, Sold for CA\$ 1,512.37			24.04.2024	2	0	0.00
Bought for SG\$ 268.77, Sold for € 184.38			24.04.2024	0	0	0.00
Bought for SG\$ 67,133.43, Sold for US\$ 49,965.34			24.04.2024	50	0	0.00
Bought for US\$ 1,543.63, Sold for CHF 1,381.78			24.04.2024	2	0	0.00
Bought for US\$ 13,621.97, Sold for € 12,565.61			24.04.2024	14	0	0.00
Bought for US\$ 179.90, Sold for £ 142.32			24.04.2024	0	0	0.00
Bought for US\$ 125.45, Sold for SG\$ 168.59			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>72,365</b>	<b>99.59</b>
Net other assets/(liabilities)					298	0.41
<b>Net assets</b>					<b>72,663</b>	<b>100.00</b>

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	70,787	97.42
<b>Total Investment assets</b>	<b>70,787</b>	<b>97.42</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(23)	(0.03)
<b>Total Investment liabilities</b>	<b>(23)</b>	<b>(0.03)</b>
<b>Total portfolio</b>	<b>70,764</b>	<b>97.39</b>
<b>Cash equivalents</b>	<b>1,601</b>	<b>2.20</b>
<b>Net other assets/(liabilities)</b>	<b>298</b>	<b>0.41</b>
<b>Net assets</b>	<b>72,663</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+23.1	+10.7	+9.6	+6.8	01.07.05	09.11.18
Class 'A-H' Accumulation	+19.3	+5.1	+6.4	+5.3	n/a	19.11.18
Class 'C' Accumulation	+24.1	+11.5	+10.4	+7.6	01.07.05	09.11.18
Class 'C-H' Accumulation	+20.2	+5.9	+7.2	+6.6	n/a	26.02.19
Class 'CI' Accumulation	+24.1	+11.6	+10.5	+7.7	01.07.05	19.11.18
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	+19.8	+6.5	+7.8	+7.1	n/a	26.02.19
Class 'C-H' Accumulation	+20.7	+7.3	+8.6	+7.9	n/a	26.02.19
<b>Sterling</b>						
Class 'C-H' Accumulation	+21.6	+7.1	n/a	+8.4	n/a	05.07.19
Class 'CI' Accumulation	+20.8	+11.7	+10.4	+9.9	n/a	26.02.19
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+16.8	+4.1	+5.7	+5.1	n/a	26.02.19
Class 'C-H' Accumulation	+17.7	+4.9	+6.5	+5.9	n/a	26.02.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+22.2	+7.6	+8.7	+5.5	09.03.07	09.11.18
Class 'C' Accumulation	+23.1	+8.5	+9.6	+6.3	09.03.07	09.11.18
Class 'CI' Accumulation	+23.1	+8.5	+9.6	+6.3	09.03.07	19.11.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G North American Value Fund, which includes UK taxes but excludes entry and exit charges. The M&G North American Value Fund is a UK authorised sub-fund which launched on 1 July 2005 and its non-Sterling share classes merged into M&G (Lux) North American Value Fund on 9 November 2018.



# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	734,971.916	34.5340	28.0460	29.5440	1.72
Class 'A-H' Accumulation	279,834.703	13.2234	11.0854	12.3523	1.74
Class 'C' Accumulation	126,238.750	39.7770	32.0651	33.5255	0.98
Class 'C-H' Accumulation	66,716.496	13.7880	11.4733	12.6943	0.99
Class 'CI' Accumulation	1,291,950.272	16.4767	13.2769	13.8759	0.94
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,415.000	14.1776	11.8311	12.8720	1.74
Class 'C-H' Accumulation	2,420.000	14.7268	12.2023	13.1763	0.99
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	2,400.000	14.6258	12.0258	13.1086	1.00
Class 'CI' Accumulation	4,600.000	16.1778	13.3915	13.4694	0.93
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,400.000	12.8725	11.0213	12.3410	1.74
Class 'C-H' Accumulation	2,405.000	13.3745	11.3662	12.6319	1.00
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	455,725.157	24.8872	20.3730	21.9054	1.72
Class 'C' Accumulation	9,273.044	28.3065	23.0001	24.5373	0.97
Class 'CI' Accumulation	4,600.000	15.5373	12.6198	13.4623	0.94

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	72,663	66,159	91,101
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>72,663</b>	<b>66,159</b>	<b>91,101</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Fixed income investments delivered mixed performance in the 12 months under review. Shifting expectations around inflation and interest rates brought some volatility for government bonds, but corporate and high yield bonds proved more resilient.

The period began relatively calmly, although UK government bonds (gilts) underperformed after inflation surprised to the upside. However, volatility returned in the summer, as persistently high core inflation and resilient macroeconomic data in the US saw the Federal Reserve turn more hawkish. Concerns over higher-for-longer interest rates pushed government up bond yields, and their prices fell accordingly.

Sentiment improved towards the end of 2023. With inflation falling steadily, central banks began signalling interest rate cuts on the horizon, raising hopes of a soft landing for major economies. Both fixed income and equity markets got a welcome boost, rallying strongly throughout November and December.

However, the first quarter of 2024 forced investors to adjust their expectations, as sticky US inflation and stronger-than-expected economic data delayed the prospect of rate cuts. Again, government bonds suffered most, with yields on US treasuries, German bunds and UK gilts all rising.

Corporate bonds, on the other hand, fared better throughout the period. Demand remained high, and tightening credit spreads (the yield differential between a corporate bond and the corresponding government bond with the same maturity) demonstrated investor confidence in the macroeconomic environment. Investment grade bonds delivered positive returns, but were outperformed by riskier high yield investments.

Over the review period, the M&G (Lux) Optimal Income Fund delivered a strong positive total return (the combination of income and capital growth) across all its share classes, outperforming its benchmark. The benchmark is a composite index equally weighted

across the Bloomberg Global Agg Corporate Index EUR Hedged, the Bloomberg Global High Yield Index EUR Hedged and the Bloomberg Global Treasury Index EUR Hedged, representing the global corporate bond market, the global high yield bond market and the global government bond market. This returned 5.39% in euros and 7.51% in US dollars over the period.

Our duration positioning was the main driver of outperformance during the period under review, with the duration impact of our sterling holdings particularly positive.

Within credit, asset allocation and security selection also contributed.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We gradually lengthened sub-fund duration (a measure of its sensitivity to interest rates) during the review period, in anticipation of falling inflation and slow-but-steady growth. In October, duration exceeded the benchmark for the first time in about 10 years, and we maintain that long positioning across euros, sterling and US dollars. We added gilts and US treasuries at various points when prices fell, but reduced exposure to better-performing German bunds. We also added government bonds from selected countries including New Zealand, South Africa, Ivory Coast, Morocco, Hungary and Poland.

We remained cautious in credit, preferring to pare risk and increase quality given tightening credit spreads. Early in the period, we participated in new issues from EDF, AT&T and Olympus Water. Later additions included International Design Group, IHG, Piraeus, Southern Water, ASR, Crédit Agricole, Nestlé and UBS. We sold some well-performing investment grade bonds, and others where spreads looked historically tight (an AT&T hybrid, an ultra-long-dated EDF bond and a US dollar bond from Deutsche Telekom). We reduced our high yield exposure during the period, investing the profits in higher-quality bonds.

# Investment review

While financial companies still make up a significant portion of the portfolio, we did trim exposure to these, capitalising on strong performance. We also became more selective, switching from some US banks to lower-risk European names.

The sub-fund can hold up to 20% in equities if these offer better value, but our exposure reduced to zero in November with the sale of Adecco shares. Later, we added VW and Bristol Myers Squibb, as declining yields presented select opportunities.

## Outlook

Overall, we maintain a portfolio of high-quality assets with a long duration exposure as we anticipate that interest rates will decrease in response to a lower inflation environment and slow but positive economic growth. The downside risk of higher rates appears limited, as central banks have already implemented significant tightening measures and are unlikely to raise rates much further from current levels. On the other hand, if inflation and growth unexpectedly fall short, there is significant potential for rates to decrease, which would benefit the portfolio, in our view.

The macroeconomic environment remains supportive for investment grade corporate bonds, in our opinion. Inflationary pressures are slowly easing while economies are growing, albeit at a slower pace. Yields remain historically high, and rate cuts are now expected in 2024, which should be supportive for fixed income investments in general. While spreads may not appear historically attractive, we believe the positive macroeconomic environment makes this asset class attractive for investors.

In high yield, spread levels remain unexciting, but yields are still attractive, with scope for absolute returns and carry. With moderate rate cuts, contained spreads, and a mild default environment, we believe the asset class could still deliver positive returns over the next 12 months.

## Richard Woolnough and Stefan Isaacs

Co-sub-fund managers

On 5 February 2024 Stefan Isaacs was appointed co-sub-fund manager. Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>31,031</b>	<b>0.33</b>
<b>Pharmaceuticals &amp; biotechnology</b>						
Bristol-Myers Squibb	400,000	US\$			<b>19,777</b>	<b>0.21</b>
<b>Automobiles &amp; parts</b>						
Volkswagen	80,000	€			<b>11,254</b>	<b>0.12</b>
<b>Consumer services</b>						
K2016470219 South Africa <sup>a</sup>	9,727,060	ZAR			<b>0</b>	<b>0.00</b>
<b>Travel &amp; leisure</b>						
Codere <sup>a</sup>	1,514,129	€			<b>0</b>	<b>0.00</b>
<b>Industrial metals &amp; mining</b>						
New World Resources 'A' <sup>a</sup>	13,243,773	£			<b>0</b>	<b>0.00</b>
<b>Non-renewable energy</b>					<b>0</b>	<b>0.00</b>
Chaparral Energy 'A' (Warrant) <sup>a</sup>	311	US\$	01.10.2024		0	0.00
Chaparral Energy 'A' (Warrant) <sup>a</sup>	311	US\$	01.10.2025		0	0.00
<b>Fixed income</b>					<b>8,750,635</b>	<b>91.64</b>
<b>Debt securities</b>					<b>8,569,939</b>	<b>89.75</b>
<b>'AAA' credit rated bonds</b>					<b>407,074</b>	<b>4.26</b>
Banco BPI 3.25%	3,500,000	€	22.03.2030		3,505	0.04
Bank of Montreal FRN	10,000,000	£	02.09.2027		11,715	0.12
Bank of Nova Scotia 0.375%	20,000,000	€	26.03.2030		17,033	0.18
Canadian Imperial Bank of Commerce 4.414%	25,000,000	US\$	08.06.2028		22,832	0.24
Citizen Irish Auto Receivables Trust FRN	4,357,751	€	15.12.2032		4,366	0.05
Clydesdale Bank 3.75%	23,170,000	€	22.08.2028		23,644	0.25
Commonwealth Bank of Australia 1.625%	20,000,000	€	10.02.2031		18,084	0.19
CPPIB Capital 0.05%	20,000,000	€	24.02.2031		16,419	0.17
Crédit Agricole Home Loan 2.875%	20,000,000	€	12.01.2034		19,816	0.21
HSBC SFH 2.625%	20,000,000	€	07.09.2032		19,406	0.20
HSBC UK Bank FRN	9,318,000	£	25.08.2028		10,915	0.11
Lloyds Bank 6%	10,000,000	£	08.02.2029		12,483	0.13
Microsoft 3.125%	20,000,000	€	06.12.2028		20,295	0.21
Microsoft 3.4%	6,000,000	US\$	15.09.2026		5,393	0.06
National Australia Bank 0.01%	20,000,000	€	06.01.2029		17,233	0.18
National Australia Bank 4.628%	25,000,000	US\$	22.11.2027		22,805	0.24

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
Nationwide Building Society FRN	17,747,000	£	24.02.2031		20,459	0.21
Nationwide Building Society 3.375%	8,000,000	€	27.11.2028		8,098	0.09
New Zealand (Kingdom of) 2.5%	20,000,000	NZD	20.09.2040		13,508	0.14
Santander UK 5.25%	10,000,000	£	16.02.2029		12,101	0.13
Temasek Financial I 3.5%	20,000,000	€	15.02.2033		20,430	0.21
Toronto-Dominion Bank 3.666%	27,535,000	€	08.09.2031		28,625	0.30
Toronto-Dominion Bank 3.715%	25,000,000	€	13.03.2030		25,832	0.27
TSB Bank FRN	10,000,000	£	15.09.2028		11,717	0.12
Westpac Securities 3.75%	20,000,000	€	20.04.2028		20,360	0.21
<b>'AA' credit rated bonds</b>					<b>3,619,633</b>	<b>37.91</b>
Apple 0.875%	20,000,000	€	24.05.2025		19,439	0.20
Apple 1.2%	20,000,000	US\$	08.02.2028		16,388	0.17
Apple 2%	15,000,000	€	17.09.2027		14,534	0.15
Apple 3.2%	20,000,000	US\$	11.05.2027		17,774	0.19
Apple 3.35%	20,000,000	US\$	09.02.2027		17,916	0.19
Banco Santander 0.1%	20,000,000	€	27.02.2032		15,768	0.16
Banco Santander Totta 3.25%	15,000,000	€	15.02.2031		15,067	0.16
Crédit Agricole 5.514%	10,000,000	US\$	05.07.2033		9,481	0.10
Crédit Agricole Italia 3.5%	4,400,000	€	15.07.2033		4,505	0.05
European Union 1%	50,000,000	€	06.07.2032		43,539	0.46
European Union 3.25%	50,000,000	€	04.07.2034		51,565	0.54
France (Republic of) 0.75%	200,000,000	€	25.05.2053		107,071	1.12
France (Republic of) 1.25%	220,000,000	€	25.05.2034		189,452	1.98
France (Republic of) 2%	150,000,000	€	25.05.2048		119,528	1.25
JPMorgan Chase FRN	10,000,000	US\$	14.06.2030		9,038	0.09
LVMH Moët Hennessy Louis Vuitton 3.25%	20,000,000	€	07.09.2029		20,217	0.21
Metropolitan Life Global Funding I 1.625%	16,722,000	£	12.10.2028		17,264	0.18
Metropolitan Life Global Funding I 5%	10,000,000	£	10.01.2030		11,949	0.13
NBN 4.375%	11,448,000	€	15.03.2033		12,256	0.13
Nestlé Capital 4.5%	18,250,000	£	22.03.2029		21,341	0.22

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
New York Life Global Funding 4.95%	18,000,000	£	07.12.2029		21,601	0.23
Royal Bank of Canada 5%	15,000,000	£	24.01.2028		17,630	0.18
Siemens Financieringsmaatschappij 3.625%	15,000,000	€	22.02.2044		15,146	0.16
SNCF Réseau 5%	20,000,000	€	10.10.2033		22,856	0.24
UK Gilt 0.625%	375,000,000	£	22.10.2050		181,837	1.90
UK Gilt 0.875%	475,000,000	£	31.01.2046		282,904	2.96
UK Gilt 1.5%	75,000,000	£	22.07.2047		50,731	0.53
UK Gilt 3.75%	150,000,000	£	22.10.2053		155,816	1.63
UK Gilt 4%	50,000,000	£	22.10.2063		54,296	0.57
UK Gilt 4.25%	220,000,000	£	07.12.2046		250,821	2.63
UK Gilt 4.75%	100,000,000	£	07.12.2038		123,769	1.30
UniCredit 3.5%	20,000,000	€	31.07.2030		20,305	0.21
US Treasury Bond 1.25%	400,000,000	US\$	15.05.2050		189,233	1.98
US Treasury Bond 2.25%	200,000,000	US\$	15.08.2046		126,686	1.33
US Treasury Bond 2.375%	200,000,000	US\$	15.05.2051		125,600	1.32
US Treasury Note 0.625%	500,000,000	US\$	15.05.2030		374,344	3.92
US Treasury Note 0.625%	500,000,000	US\$	15.08.2030		371,174	3.89
US Treasury Note 1.375%	175,000,000	US\$	15.11.2031		132,478	1.39
US Treasury Note 2.375%	250,000,000	US\$	15.05.2029		212,087	2.22
US Treasury Note 3.375%	180,000,000	US\$	15.05.2033		156,227	1.64
<b>'A' credit rated bonds</b>					<b>1,100,596</b>	<b>11.53</b>
Allianz FRN	2,000,000	€	05.07.2052		2,006	0.02
Allianz FRN	16,000,000	€	25.07.2053		17,771	0.19
Anheuser-Busch InBev 3.95%	20,000,000	€	22.03.2044		20,332	0.21
Australia & New Zealand Banking Group FRN	24,000,000	£	16.09.2031		25,509	0.27
AXA FRN	35,000,000	€	11.07.2043		38,104	0.40
AXA FRN	10,000,000	€	28.05.2049		9,584	0.10
Banco Santander 5.125%	18,000,000	£	25.01.2030		21,177	0.22
Banco Santander 5.375%	5,000,000	£	17.01.2031		5,906	0.06
Bank of America FRN	15,000,000	£	02.06.2029		15,421	0.16

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Bank of America FRN	13,201,000	US\$	23.01.2035		12,293	0.13
Banque Fédérative du Crédit Mutuel 0.625%	20,200,000	€	03.11.2028		17,661	0.19
Banque Fédérative du Crédit Mutuel 0.625%	6,000,000	€	21.02.2031		4,912	0.05
Banque Fédérative du Crédit Mutuel 1.375%	15,000,000	€	02.04.2030		13,092	0.14
BNP Paribas FRN	29,500,000	US\$	13.01.2031		24,088	0.25
BNP Paribas FRN	15,000,000	US\$	13.01.2031		12,251	0.13
BNP Paribas FRN	7,500,000	US\$	20.01.2033		5,917	0.06
BNP Paribas 1.25%	20,000,000	£	13.07.2031		18,133	0.19
BNP Paribas 2.875%	5,800,000	£	24.02.2029		6,168	0.06
BNP Paribas 5.75%	10,000,000	£	13.06.2032		12,142	0.13
BP Capital Markets FRN	8,000,000	£	31.12.2099		8,875	0.09
BP Capital Markets 1.467%	10,000,000	€	21.09.2041		7,038	0.07
BP Capital Markets 1.637%	20,000,000	€	26.06.2029		18,374	0.19
BP Capital Markets 4.323%	20,000,000	€	12.05.2035		21,143	0.22
Comcast 5.5%	4,000,000	£	23.11.2029		4,896	0.05
Comcast Cable Communications 8.5%	4,534,000	US\$	01.05.2027		4,577	0.05
Coventry Building Society 2%	9,031,000	£	20.12.2030		8,641	0.09
Crédit Agricole FRN	15,000,000	£	14.06.2031		18,688	0.20
Crédit Agricole 4%	15,000,000	€	18.01.2033		15,700	0.16
E.ON 4.125%	6,667,000	€	25.03.2044		6,807	0.07
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	2,424,000	€	29.09.2047		2,328	0.02
ELM for Swiss Life Insurance & Pension Group FRN	5,582,000	€	29.12.2049		5,596	0.06
Eni 4.75%	20,000,000	US\$	12.09.2028		18,403	0.19
Hannover Rück FRN	5,000,000	€	08.10.2040		4,348	0.05
Hannover Rück FRN	10,000,000	€	30.06.2042		8,184	0.09
Hannover Rück FRN	5,000,000	€	26.08.2043		5,633	0.06
Henkel 1.75%	4,000,000	US\$	17.11.2026		3,403	0.04
ING Groep FRN	14,800,000	€	29.09.2028		13,215	0.14
ING Groep FRN	25,000,000	€	18.02.2029		21,911	0.23
ING Groep FRN	2,104,000	US\$	28.03.2033		1,809	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Japan (Kingdom of) 0.1%	16,241,000	€	03.09.2031		12,940	0.14
JPMorgan Chase FRN	10,000,000	US\$	15.10.2030		8,211	0.09
JPMorgan Chase FRN	15,000,000	US\$	22.04.2032		11,736	0.12
JPMorgan Chase FRN	35,000,000	US\$	25.01.2033		27,698	0.29
JPMorgan Chase FRN	25,000,000	US\$	26.04.2033		22,169	0.23
JPMorgan Chase FRN	26,000,000	US\$	25.07.2033		23,541	0.25
JPMorgan Chase FRN	9,601,000	€	21.03.2034		9,717	0.10
JPMorgan Chase FRN	12,146,000	US\$	23.01.2035		11,286	0.12
KBC Group FRN	10,000,000	US\$	19.01.2029		9,358	0.10
KKR Group Finance V 1.625%	2,749,000	€	22.05.2029		2,467	0.03
Leeds Building Society 1.375%	16,738,000	£	06.10.2027		17,284	0.18
Mizuho Financial Group FRN	33,000,000	US\$	08.09.2031		25,124	0.26
Morgan Stanley FRN	10,000,000	US\$	22.07.2028		8,812	0.09
Morgan Stanley FRN	10,000,000	€	02.03.2029		10,356	0.11
Morgan Stanley FRN	15,000,000	€	26.10.2029		13,077	0.14
Morgan Stanley FRN	10,000,000	US\$	22.01.2031		8,094	0.08
Morgan Stanley FRN	25,000,000	US\$	13.02.2032		18,520	0.19
Morgan Stanley FRN	17,500,000	£	18.11.2033		21,482	0.23
Morgan Stanley FRN	8,097,000	US\$	18.01.2035		7,565	0.08
Morgan Stanley FRN	8,000,000	€	21.03.2035		8,104	0.08
Münchener Rückversicherungs-Gesellschaft FRN	15,000,000	US\$	23.05.2042		14,142	0.15
Nationwide Building Society 0.25%	23,874,000	€	14.09.2028		20,871	0.22
Nordea Bank FRN	15,000,000	£	09.12.2032		15,241	0.16
Poland (Republic of) 4.125%	13,202,000	€	11.01.2044		13,471	0.14
Poland (Republic of) 5.75%	20,000,000	US\$	16.11.2032		19,441	0.20
Prologis Euro Finance 4.25%	15,000,000	€	31.01.2043		15,056	0.16
Prologis International Funding II 4.625%	8,000,000	€	21.02.2035		8,383	0.09
Shell International Finance 0.75%	20,000,000	€	15.08.2028		18,057	0.19
Skipton Building Society FRN	8,736,000	£	25.04.2029		10,340	0.11
Slovakia (Republic of) 3.75%	20,000,000	€	23.02.2035		20,225	0.21

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Standard Chartered 6.301%	12,281,000	US\$	09.01.2029		11,701	0.12
Swedbank 4.375%	5,000,000	€	05.09.2030		5,213	0.05
Toronto-Dominion Bank 2.875%	25,000,000	£	05.04.2027		27,562	0.29
TotalEnergies FRN	10,000,000	€	31.12.2099		8,648	0.09
TotalEnergies FRN	20,000,000	€	31.12.2099		16,417	0.17
TotalEnergies Capital Canada 2.125%	10,000,000	€	18.09.2029		9,425	0.10
UBS Group FRN	10,000,000	€	01.03.2029		11,406	0.12
UBS Group FRN	10,233,000	£	03.11.2029		10,482	0.11
UBS Group FRN	15,000,000	US\$	13.08.2030		12,386	0.13
UBS Group FRN	3,000,000	US\$	11.02.2032		2,224	0.02
UBS Group FRN	9,985,000	€	09.06.2033		10,124	0.11
UBS Group FRN	9,951,000	£	07.09.2033		13,191	0.14
Zurich Finance FRN	30,000,000	US\$	19.04.2051		23,095	0.24
Zurich Finance FRN	21,000,000	£	23.11.2052		23,918	0.25
<b>'BBB' credit rated bonds</b>					<b>2,771,433</b>	<b>29.02</b>
ABN AMRO Bank 3.875%	20,000,000	€	15.01.2032		20,231	0.21
AerCap Ireland Capital Via AerCap Global Aviation Trust 3.3%	25,000,000	US\$	30.01.2032		19,857	0.21
AerCap Ireland Capital Via AerCap Global Aviation Trust 3.4%	15,000,000	US\$	29.10.2033		11,693	0.12
Annington Funding 2.308%	6,167,000	£	06.10.2032		5,666	0.06
Annington Funding 2.924%	6,985,000	£	06.10.2051		4,935	0.05
Annington Funding 3.184%	5,000,000	£	12.07.2029		5,249	0.05
Annington Funding 3.685%	3,587,000	£	12.07.2034		3,567	0.04
Annington Funding 4.75%	6,000,000	£	09.08.2033		6,589	0.07
Argentum Netherlands for Swiss Re FRN	1,568,000	US\$	15.08.2050		1,445	0.02
Aroundtown 3%	11,000,000	£	16.10.2029		9,930	0.10
Aroundtown 5.375%	5,000,000	US\$	21.03.2029		4,022	0.04
ASR Nederland 3.625%	4,674,000	€	12.12.2028		4,681	0.05
Assicurazioni Generali FRN	20,000,000	€	27.10.2047		20,850	0.22
Assicurazioni Generali 5.399%	5,000,000	€	20.04.2033		5,369	0.06

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Australia & New Zealand Banking Group FRN	5,000,000	US\$	25.11.2035		3,802	0.04
Australia Pacific Airports 4%	8,671,000	€	07.06.2034		8,784	0.09
Autostrade per l'Italia 4.25%	6,000,000	€	28.06.2032		6,023	0.06
Autostrade per l'Italia 4.625%	10,000,000	€	28.02.2036		10,101	0.11
Aviva FRN	12,301,000	£	12.09.2049		13,495	0.14
Aviva FRN	24,000,000	£	04.06.2050		27,030	0.28
Bacardi Via Bacardi-Martini 5.25%	10,000,000	US\$	15.01.2029		9,220	0.10
Banco Bilbao Vizcaya Argentaria FRN	30,000,000	US\$	14.09.2028		28,412	0.30
Banco de Sabadell FRN	15,000,000	€	16.06.2028		13,706	0.14
Banco de Sabadell FRN	5,200,000	€	07.06.2029		5,455	0.06
Banco de Sabadell FRN	10,000,000	€	08.09.2029		10,533	0.11
Banco Santander FRN	20,000,000	£	04.10.2032		20,551	0.22
Banco Santander FRN	20,000,000	US\$	22.11.2032		15,393	0.16
Bankinter FRN	20,000,000	€	23.12.2032		18,082	0.19
Banque Fédérative du Crédit Mutuel FRN	25,000,000	€	16.06.2032		24,719	0.26
Banque Fédérative du Crédit Mutuel 1.125%	10,400,000	€	19.11.2031		8,403	0.09
Barclays FRN	11,053,000	€	31.01.2033		11,317	0.12
Barclays FRN	5,526,000	US\$	09.08.2033		5,137	0.05
Bevco Lux 1%	12,825,000	€	16.01.2030		10,844	0.11
BNP Paribas FRN	6,000,000	US\$	01.03.2033		5,265	0.06
BNP Paribas FRN	2,538,000	US\$	12.08.2035		1,921	0.02
Boeing 5.805%	50,000,000	US\$	01.05.2050		43,742	0.46
Boeing 5.93%	30,000,000	US\$	01.05.2060		25,975	0.27
BP Capital Markets FRN	10,000,000	€	31.12.2099		9,547	0.10
BPCE FRN	20,000,000	US\$	20.01.2032		15,012	0.16
BPCE FRN	6,720,000	US\$	19.10.2032		5,103	0.05
BPCE 5.25%	8,000,000	£	16.04.2029		9,157	0.10
British Telecommunications 5.75%	10,000,000	£	13.02.2041		11,783	0.12
British Telecommunications 6.375%	17,756,000	£	23.06.2037		22,452	0.24
BUPA Finance 4.125%	20,000,000	£	14.06.2035		19,716	0.21

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
BUPA Finance 5%	4,000,000	£	08.12.2026		4,627	0.05
Cadent Finance 2.625%	10,000,000	£	22.09.2038		8,338	0.09
Cadent Finance 5.75%	4,167,000	£	14.03.2034		5,045	0.05
CaixaBank FRN	22,200,000	£	06.04.2028		24,645	0.26
CaixaBank FRN	6,000,000	£	25.10.2033		7,204	0.08
Celanese US Holdings 5.337%	22,000,000	€	19.01.2029		23,290	0.24
Celanese US Holdings 6.379%	7,056,000	US\$	15.07.2032		6,782	0.07
Cellnex Telecom 0.75%	23,000,000	€	20.11.2031		19,664	0.21
Centrica 7%	20,000,000	£	19.09.2033		26,366	0.28
Channel Link Enterprises Finance FRN	8,057,000	£	30.06.2050		8,293	0.09
Channel Link Enterprises Finance FRN	11,987,000	€	30.06.2050		11,151	0.12
Coöperatieve Rabobank FRN	4,400,000	€	31.12.2099		4,151	0.04
Coöperatieve Rabobank 4.625%	20,000,000	£	23.05.2029		22,459	0.24
CPUK Finance 3.69%	8,936,000	£	28.02.2047		9,680	0.10
CPUK Finance 5.876%	7,674,000	£	28.08.2027		9,068	0.09
Crédit Agricole FRN	13,400,000	£	09.12.2031		14,110	0.15
Crédit Agricole FRN	5,000,000	US\$	10.01.2033		4,317	0.05
Crédit Agricole Assurances 1.5%	5,000,000	€	06.10.2031		4,160	0.04
Crelan FRN	9,000,000	€	23.01.2032		9,348	0.10
Danske Bank FRN	17,000,000	£	14.01.2028		18,309	0.19
Danske Bank FRN	20,000,000	€	09.06.2029		17,720	0.19
Delamare Finance 5.5457%	4,255,154	£	19.02.2029		4,969	0.05
Deutsche Bahn Finance FRN	12,000,000	€	31.12.2099		10,366	0.11
Deutsche Bank FRN	8,400,000	£	12.12.2030		9,956	0.10
Deutsche Bank FRN	10,000,000	€	24.06.2032		9,691	0.10
Deutsche Telekom International Finance 8.75%	30,000,000	US\$	15.06.2030		32,868	0.34
DWR Cymru Financing UK 2.375%	5,280,000	£	31.03.2034		4,575	0.05
E.ON International Finance 4.75%	2,000,000	£	31.01.2034		2,261	0.02
E.ON International Finance 5.875%	18,000,000	£	30.10.2037		22,010	0.23
E.ON International Finance 6.25%	7,000,000	£	03.06.2030		8,793	0.09

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
EDP Servicios Financieros Espana 3.5%	5,959,000	€	16.07.2030		5,951	0.06
Électricité de France 4.5%	7,000,000	US\$	04.12.2069		4,706	0.05
Électricité de France 5.125%	8,250,000	£	22.09.2050		8,383	0.09
Électricité de France 5.5%	15,000,000	£	27.03.2037		16,972	0.18
Électricité de France 5.5%	20,000,000	£	17.10.2041		21,949	0.23
Électricité de France 5.625%	8,000,000	£	25.01.2053		8,631	0.09
Électricité de France 6%	9,555,000	US\$	22.01.2114		8,459	0.09
Électricité de France 6%	20,000,000	£	23.01.2114		22,186	0.23
Électricité de France 6.125%	30,000,000	£	02.06.2034		36,240	0.38
Enel Finance International 3.5%	16,262,000	US\$	06.04.2028		14,200	0.15
Enel Finance International 5%	5,000,000	US\$	15.06.2032		4,489	0.05
Enel Finance International 7.5%	15,000,000	US\$	14.10.2032		15,666	0.16
Engie 5.95%	21,145,000	€	16.03.2111		27,221	0.28
Eni FRN	1,188,000	€	31.12.2099		1,103	0.01
Eni FRN	20,000,000	€	31.12.2099		17,683	0.19
ENW Finance 4.893%	7,460,000	£	24.11.2032		8,785	0.09
Expedia Group 3.25%	10,000,000	US\$	15.02.2030		8,350	0.09
Fastighets Balder 1.875%	8,827,000	€	14.03.2025		8,624	0.09
Fastighets Balder 1.875%	6,398,000	€	23.01.2026		6,085	0.06
Fox 6.5%	20,000,000	US\$	13.10.2033		19,606	0.21
Fresenius Medical Care US Finance III 3.75%	14,000,000	US\$	15.06.2029		11,654	0.12
Gatwick Funding 2.5%	4,000,000	£	15.04.2032		4,088	0.04
Gatwick Funding 3.125%	14,934,000	£	28.09.2041		13,255	0.14
Gatwick Funding 4.625%	6,000,000	£	27.03.2034		6,645	0.07
Gatwick Funding 5.5%	2,170,000	£	04.04.2042		2,506	0.03
Gatwick Funding 5.75%	15,000,000	£	23.01.2039		17,929	0.19
Grainger 3%	9,453,000	£	03.07.2030		9,492	0.10
Greene King Finance 3.593%	3,830,220	£	15.03.2035		4,017	0.04
Greene King Finance 4.0643%	1,533,207	£	15.03.2035		1,632	0.02
Hammerson 7.25%	5,000,000	£	21.04.2028		6,081	0.06

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Heathrow Funding 1.125%	19,000,000	€	08.10.2032		16,338	0.17
Heathrow Funding 1.5%	9,096,000	€	11.02.2032		8,115	0.08
Heathrow Funding 5.875%	10,000,000	£	13.05.2043		12,151	0.13
Heathrow Funding 7.075%	15,000,000	£	04.08.2030		18,898	0.20
HJ Heinz Finance UK 6.25%	12,000,000	£	18.02.2030		14,776	0.15
Hungary (Republic of) 1.625%	20,000,000	€	28.04.2032		16,400	0.17
Iberdrola International FRN	10,000,000	€	31.12.2099		8,953	0.09
IHG Finance 4.375%	2,449,000	€	28.11.2029		2,535	0.03
ING Groep FRN	25,000,000	€	26.05.2031		24,011	0.25
ING Groep FRN	6,000,000	£	20.05.2033		7,084	0.07
InterContinental Hotels Group 2.125%	7,380,000	£	24.08.2026		8,031	0.08
InterContinental Hotels Group 3.375%	16,000,000	£	08.10.2028		17,498	0.18
International Consolidated Airlines Group 1.125%	10,000,000	€	18.05.2028		9,325	0.10
Intesa Sanpaolo FRN	15,000,000	US\$	21.11.2033		15,528	0.16
Intesa Sanpaolo 2.625%	4,000,000	£	11.03.2036		3,442	0.04
Intesa Sanpaolo 6.625%	10,000,000	£	31.05.2033		12,411	0.13
Intesa Sanpaolo 6.625%	12,146,000	US\$	20.06.2033		11,663	0.12
Italy (Republic of) 1.5%	25,000,000	€	30.04.2045		16,181	0.17
Italy (Republic of) 1.7%	25,000,000	€	01.09.2051		15,591	0.16
Italy (Republic of) 1.8%	25,000,000	€	01.03.2041		18,308	0.19
Italy (Republic of) 2.875%	1,543,000	US\$	17.10.2029		1,267	0.01
Italy (Republic of) 3.875%	50,000,000	US\$	06.05.2051		33,321	0.35
Italy (Republic of) 4.5%	25,000,000	€	01.10.2053		26,325	0.28
KBC Group FRN	10,000,000	€	07.12.2031		9,150	0.10
La Banque Postale FRN	10,000,000	€	02.08.2032		8,938	0.09
LafargeHolcim Sterling Finance Netherlands 3%	5,000,000	£	12.05.2032		5,070	0.05
Legal & General Group FRN	6,454,000	US\$	21.03.2047		5,822	0.06
Legal & General Group FRN	30,000,000	£	14.11.2048		34,526	0.36
Legal & General Group FRN	21,000,000	£	26.11.2049		22,199	0.23
Legal & General Group FRN	8,000,000	£	01.11.2050		8,707	0.09

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Legal & General Group FRN	5,000,000	£	31.12.2099		5,291	0.06
Lloyds Bank 11.75%	800,000	£	29.10.2049		1,550	0.02
Lloyds Banking Group FRN	50,000,000	£	03.12.2035		47,538	0.50
Logicor Financing 2.75%	3,126,000	£	15.01.2030		3,094	0.03
Manchester Airport Group Funding 4.75%	15,000,000	£	31.03.2034		17,289	0.18
Mexico (United Mexican States) 2.125%	20,000,000	€	25.10.2051		11,955	0.13
Mexico (United Mexican States) 4%	60,000,000	€	15.03.2115		47,358	0.50
Mexico (United Mexican States) 5.625%	62,803,000	£	19.03.2114		56,445	0.59
Mitchells & Butlers Finance FRN	4,430,296	US\$	15.12.2030		3,855	0.04
Mitchells & Butlers Finance FRN	864,946	£	15.12.2030		928	0.01
Mitchells & Butlers Finance FRN	6,644,366	£	15.12.2033		6,751	0.07
Mondeléz International 3.875%	1,979,000	£	06.03.2045		1,851	0.02
National Australia Bank FRN	30,000,000	US\$	12.01.2037		23,446	0.25
National Gas Transmission 1.125%	15,000,000	£	14.01.2033		12,598	0.13
National Gas Transmission 1.375%	10,500,000	£	07.02.2031		9,611	0.10
National Grid Electricity Distribution West Midlands 5.75%	10,000,000	£	16.04.2032		12,155	0.13
National Grid Electricity Transmission 1.125%	10,000,000	£	07.07.2028		10,054	0.11
Nationwide Building Society FRN	5,340,000	£	07.12.2027		6,379	0.07
NatWest Group FRN	19,070,000	£	29.03.2029		20,954	0.22
NatWest Group FRN	10,000,000	€	14.09.2029		8,784	0.09
NatWest Group FRN	8,348,000	£	14.08.2030		9,477	0.10
NatWest Group FRN	6,250,000	£	28.11.2031		6,654	0.07
NatWest Group FRN	15,000,000	US\$	28.11.2035		11,627	0.12
Next Group 3.625%	7,500,000	£	18.05.2028		8,391	0.09
Next Group 4.375%	10,150,000	£	02.10.2026		11,691	0.12
NIE Finance 5.875%	5,000,000	£	01.12.2032		6,225	0.07
NN Group FRN	30,000,000	€	01.03.2043		31,146	0.33
Northumbrian Water Finance 5.5%	5,141,000	£	02.10.2037		5,925	0.06
Pearson Funding 3.75%	17,532,000	£	04.06.2030		18,995	0.20
Prosus 1.288%	10,000,000	€	13.07.2029		8,482	0.09

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Raiffeisen Bank International FRN	2,200,000	€	21.08.2029		2,196	0.02
Raiffeisen Bank International FRN	10,000,000	€	20.12.2032		10,432	0.11
Repsol International Finance FRN	10,000,000	€	31.12.2099		9,831	0.10
Rolls-Royce 5.75%	5,000,000	£	15.10.2027		5,913	0.06
Romania (Republic of) 1.75%	12,000,000	€	13.07.2030		9,862	0.10
Romania (Republic of) 2.875%	12,000,000	€	13.04.2042		8,221	0.09
Romania (Republic of) 3.375%	15,000,000	€	28.01.2050		10,604	0.11
Sampo FRN	22,000,000	€	03.09.2052		19,029	0.20
Santander UK Group Holdings FRN	15,000,000	£	17.01.2029		15,694	0.16
Severn Trent Utilities Finance 2.75%	10,000,000	£	05.12.2031		10,014	0.10
Severn Trent Utilities Finance 4.625%	4,901,000	£	30.11.2034		5,480	0.06
SK Hynix 2.375%	7,861,000	US\$	19.01.2031		5,994	0.06
Société Générale FRN	24,326,000	US\$	21.01.2033		18,880	0.20
Société Générale FRN	5,000,000	US\$	10.01.2034		4,854	0.05
Société Générale FRN	15,000,000	US\$	19.01.2055		13,806	0.14
Southern FRN	6,000,000	€	15.09.2081		5,270	0.06
Southern Gas Networks 1.25%	7,324,000	£	02.12.2031		6,564	0.07
Southern Gas Networks 3.1%	12,000,000	£	15.09.2036		11,111	0.12
Southern Water Services Finance 2.375%	10,000,000	£	28.05.2028		10,262	0.11
Southern Water Services Finance 3%	5,000,000	£	28.05.2037		4,218	0.04
Spain (Kingdom of) 3.45%	60,000,000	€	30.07.2066		55,702	0.58
Stora Enso 7.25%	11,909,000	US\$	15.04.2036		11,618	0.12
Suez 6.625%	14,200,000	£	05.10.2043		18,616	0.19
SW Finance I 7%	9,103,000	£	16.04.2040		10,671	0.11
Swedbank FRN	15,000,000	€	23.08.2032		14,678	0.15
Swedbank FRN	6,000,000	£	15.11.2032		7,298	0.08
Swiss Re Finance UK FRN	4,300,000	€	04.06.2052		3,812	0.04
Sydney Airport Finance 4.375%	20,000,000	€	03.05.2033		20,960	0.22
Telefónica Europe 8.25%	5,000,000	US\$	15.09.2030		5,301	0.06
Telereal Securitisation FRN	5,656,000	£	10.12.2033		6,152	0.06

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Tesco Corporate Treasury Services 5.5%	6,000,000	£	27.02.2035		7,138	0.07
Tesco Property Finance 3 5.744%	8,951,862	£	13.04.2040		10,683	0.11
Tesco Property Finance 4 5.8006%	4,546,438	£	13.10.2040		5,433	0.06
Tesco Property Finance 5 5.6611%	14,025,021	£	13.10.2041		16,593	0.17
Thames Water Utilities Finance 2.625%	15,000,000	£	24.01.2032		13,256	0.14
T-Mobile 2.625%	20,000,000	US\$	15.04.2026		17,626	0.18
UniCredit FRN	34,000,000	US\$	03.06.2032		26,654	0.28
UPM-Kymmene 7.45%	3,136,000	US\$	26.11.2027		3,067	0.03
Verizon Communications 1.68%	10,000,000	US\$	30.10.2030		7,549	0.08
Verizon Communications 2.355%	10,000,000	US\$	15.03.2032		7,603	0.08
Verizon Communications 2.5%	5,000,000	£	08.04.2031		5,037	0.05
Verizon Communications 2.55%	10,000,000	US\$	21.03.2031		7,906	0.08
Verizon Communications 4.125%	5,000,000	US\$	16.03.2027		4,537	0.05
Verizon Communications 4.329%	24,000,000	US\$	21.09.2028		21,742	0.23
Wells Fargo FRN	33,000,000	£	26.04.2028		36,729	0.38
Wells Fargo FRN	20,000,000	US\$	02.03.2033		16,072	0.17
Wells Fargo 2.125%	22,500,000	£	24.09.2031		21,715	0.23
Wells Fargo 2.5%	6,000,000	£	02.05.2029		6,245	0.07
Wells Fargo 3.5%	4,920,000	£	12.09.2029		5,382	0.06
Wells Fargo 4.875%	5,000,000	£	29.11.2035		5,520	0.06
Welltower 4.8%	10,194,000	£	20.11.2028		11,794	0.12
Westfield America Management 2.625%	10,000,000	£	30.03.2029		10,259	0.11
Westpac Banking FRN	20,000,000	US\$	18.11.2036		15,251	0.16
Whitbread Group 3%	10,000,000	£	31.05.2031		10,175	0.11
WPC Eurobond 0.95%	5,000,000	€	01.06.2030		4,156	0.04
WPC Eurobond 1.35%	10,000,000	€	15.04.2028		9,029	0.09
WPP Finance 3.75%	20,000,000	£	19.05.2032		20,990	0.22
Yorkshire Building Society FRN	9,718,000	£	15.09.2029		9,618	0.10
<b>'BB' credit rated bonds</b>					<b>483,813</b>	<b>5.07</b>
AIB Group FRN	35,000,000	€	30.05.2031		33,804	0.35

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
B&M European Value Retail 4%	3,089,000	£	15.11.2028		3,371	0.03
Banco Santander FRN	5,000,000	€	31.12.2099		4,800	0.05
Bank of Ireland Group FRN	10,000,000	£	06.12.2032		12,168	0.13
BBVA Bancomer FRN	6,000,000	US\$	13.09.2034		5,256	0.05
BBVA Bancomer FRN	4,444,000	US\$	29.06.2038		4,353	0.05
Benteler International 9.375%	2,797,000	€	15.05.2028		3,018	0.03
Benteler International 10.5%	1,000,000	US\$	15.05.2028		1,002	0.01
CaixaBank FRN	10,800,000	€	31.12.2099		8,882	0.09
Canpack Via Canpack US 2.375%	6,744,000	€	01.11.2027		6,267	0.07
Civitas Resources 8.375%	9,948,000	US\$	01.07.2028		9,713	0.10
Colombia (Republic of) 5%	40,000,000	US\$	15.06.2045		26,942	0.28
Commerzbank FRN	10,000,000	£	28.02.2033		12,467	0.13
Côte d'Ivoire (Republic of) 6.625%	10,000,000	€	22.03.2048		8,175	0.09
Côte d'Ivoire (Republic of) 6.875%	10,000,000	€	17.10.2040		8,681	0.09
Daily Mail & General Trust 6.375%	4,150,000	£	21.06.2027		4,646	0.05
DT Midstream 4.375%	4,953,000	US\$	15.06.2031		4,149	0.04
Ecopetrol 8.375%	20,000,000	US\$	19.01.2036		18,778	0.20
Energean Israel Finance 5.375%	4,736,842	US\$	30.03.2028		4,023	0.04
Eurobank FRN	15,000,000	€	26.01.2029		16,359	0.17
Eurofins Scientific FRN	6,000,000	€	31.12.2099		5,822	0.06
Grupo KUO 5.75%	10,750,000	US\$	07.07.2027		9,408	0.10
GTCR W-2 Merger Sub Via GTCR W Dutch Finance Sub 8.5%	4,441,000	£	15.01.2031		5,615	0.06
International Consolidated Airlines Group 3.75%	4,500,000	€	25.03.2029		4,443	0.05
Intesa Sanpaolo FRN	3,292,000	US\$	01.06.2032		2,556	0.03
Intesa Sanpaolo 5.148%	2,427,000	£	10.06.2030		2,656	0.03
Intesa Sanpaolo 8.505%	20,000,000	£	20.09.2032		26,050	0.27
Intrum 3.5%	5,800,000	€	15.07.2026		3,781	0.04
Lloyds Banking Group FRN	20,000,000	£	29.12.2049		23,268	0.24
Macedonia (Republic of) 1.625%	15,000,000	€	10.03.2028		13,066	0.14
Mahle 2.375%	12,000,000	€	14.05.2028		10,518	0.11

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Marston's Issuer FRN	1,568,000	£	15.07.2032		1,629	0.02
Millicom International Cellular 4.5%	7,401,000	US\$	27.04.2031		5,894	0.06
Millicom International Cellular 6.25%	4,153,500	US\$	25.03.2029		3,758	0.04
Mineral Resources 9.25%	3,286,000	US\$	01.10.2028		3,215	0.03
Mitchells & Butlers Finance 6.013%	1,459,023	£	15.12.2030		1,641	0.02
Morocco (Kingdom of) 4%	15,000,000	US\$	15.12.2050		9,529	0.10
National Bank of Greece FRN	3,536,000	£	02.06.2027		4,360	0.05
Nationwide Building Society FRN	5,569,000	£	31.12.2099		6,464	0.07
Nationwide Building Society FRN	15,000,000	£	31.12.2099		16,648	0.17
Permanent TSB Group Holdings FRN	3,588,000	€	25.04.2028		3,817	0.04
Piraeus Bank FRN	9,539,000	€	05.12.2029		10,240	0.11
Rand Parent 8.5%	15,807,000	US\$	15.02.2030		14,529	0.15
Serbia (Republic of) 1.65%	25,000,000	€	03.03.2033		18,712	0.20
Serbia (Republic of) 2.05%	25,000,000	€	23.09.2036		17,540	0.18
South Africa (Republic of) 5.75%	30,000,000	US\$	30.09.2049		20,027	0.21
Telefónica Europe FRN	1,300,000	€	31.12.2099		1,148	0.01
TI Automotive Finance 3.75%	12,000,000	€	15.04.2029		11,290	0.12
UBS Group FRN	10,000,000	US\$	31.12.2099		7,621	0.08
ZF Europe Finance 2.5%	5,000,000	€	23.10.2027		4,695	0.05
ZF Europe Finance 3%	10,000,000	€	23.10.2029		9,279	0.10
ZF Finance 3.75%	8,000,000	€	21.09.2028		7,740	0.08
<b>'B' credit rated bonds</b>					<b>155,206</b>	<b>1.63</b>
1375209 BC 9%	3,179,000	US\$	30.01.2028		2,898	0.03
AIB Group FRN	6,000,000	€	31.12.2099		5,982	0.06
Cheplapharm Arzneimittel 4.375%	7,229,000	€	15.01.2028		7,021	0.07
Cheplapharm Arzneimittel 5.5%	4,335,000	US\$	15.01.2028		3,844	0.04
CHS Via Community Health Systems 4.75%	6,000,000	US\$	15.02.2031		4,310	0.05
CPUK Finance 4.5%	5,618,000	£	28.08.2027		6,001	0.06
CSC Holdings 5.375%	8,000,000	US\$	01.02.2028		6,386	0.07
CSC Holdings 5.5%	8,057,000	US\$	15.04.2027		6,643	0.07

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
CSC Holdings 11.75%	10,000,000	US\$	31.01.2029		9,306	0.10
Deuce FinCo 5.5%	12,220,000	£	15.06.2027		13,580	0.14
DISH DBS 5.25%	3,000,000	US\$	01.12.2026		2,205	0.02
DISH DBS 5.75%	3,000,000	US\$	01.12.2028		1,919	0.02
DISH Network 11.75%	8,792,000	US\$	15.11.2027		8,397	0.09
International Design Group 10%	8,055,000	€	15.11.2028		8,377	0.09
Monitchem HoldCo 3 8.75%	8,000,000	€	01.05.2028		8,138	0.09
Olympus Water US Holding 9.625%	7,380,000	€	15.11.2028		7,935	0.08
Sherwood Financing 6%	5,000,000	£	15.11.2026		5,229	0.06
Telecom Italia 5.25%	15,700,000	€	17.03.2055		14,172	0.15
TVL Finance 10.25%	4,008,000	£	28.04.2028		4,912	0.05
Vmed O2 UK Financing I 4%	15,000,000	£	31.01.2029		15,459	0.16
Vmed O2 UK Financing I 4.5%	12,500,000	£	15.07.2031		12,492	0.13
<b>'CCC' credit rated bonds</b>					<b>28,082</b>	<b>0.29</b>
Bausch Health 5%	10,000,000	US\$	30.01.2028		4,159	0.04
Bausch Health 11%	5,638,000	US\$	30.09.2028		3,503	0.04
Bausch Health 14%	1,122,000	US\$	15.10.2030		615	0.01
CSC Holdings 5.75%	10,000,000	US\$	15.01.2030		4,915	0.05
Intu Metrocentre Finance 8.75%	12,701,163	£	06.12.2028		7,650	0.08
Selecta Group 8%	621,066	€	01.04.2026		609	0.00
Sigma Holdco 5.75%	7,000,000	€	15.05.2026		6,631	0.07
<b>'D' credit rated bonds</b>						
Intu Debenture 5.562%	8,221,511	£	31.12.2027		<b>4,099</b>	<b>0.04</b>
<b>Bonds with no credit rating</b>						
K2016470219 South Africa FRN	842,926	US\$	31.12.2049		<b>3</b>	<b>0.00</b>
<b>Debt derivatives</b>					<b>180,696</b>	<b>1.89</b>
<b>Credit default swaps</b>					<b>95,032</b>	<b>0.99</b>
Brazil (Federative Republic of) Dec 2027	100,000,000	US\$		9,169,320	(134)	0.00
Brazil (Federative Republic of) Dec 2028	100,000,000	US\$		9,169,320	848	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Credit default swaps</b> (continued)						
Markit CDX North American High Yield Series 39 5 Year Dec 2027	147,000,000	US\$		136,307	9,637	0.10
Markit CDX North American High Yield Series 41 5 Year Dec 2028	519,750,000	US\$		481,942	35,573	0.37
Markit iTraxx Europe Crossover Series 39 5 Year Jun 2028	281,198,100	€		281,198	27,482	0.29
Markit iTraxx Europe Crossover Series 40 5 Year Dec 2028	285,000,000	€		285,000	21,626	0.23
<b>Interest rate swaps</b>					<b>87,463</b>	<b>0.92</b>
Pay 3.39% Receive Var. Jan 2034	100,000,000	£		116,950	3,330	0.04
Pay 3.3925% Receive Var. Jan 2034	100,000,000	£		116,950	3,306	0.04
Pay 3.4075% Receive Var. Jan 2034	100,000,000	£		116,950	3,150	0.03
Pay 3.483% Receive Var. Jan 2034	100,000,000	£		116,950	2,421	0.03
Pay 3.581% Receive Var. Jan 2034	100,000,000	£		116,950	1,458	0.02
Pay 3.57% Receive Var. Jan 2034	100,000,000	£		116,950	1,528	0.02
Pay 1.7577% Receive Var. Mar 2052	50,000,000	US\$		46,363	15,410	0.16
Pay 2.881% Receive Var. Nov 2052	40,677,966	£		47,573	7,308	0.08
Pay 2.907% Receive Var. Nov 2052	40,677,966	£		47,573	7,088	0.07
Pay 2.92% Receive Var. Nov 2052	77,288,136	£		90,390	13,258	0.14
Pay 2.925% Receive Var. Nov 2052	40,677,966	£		47,573	6,934	0.07
Pay 2.937% Receive Var. Nov 2052	40,677,966	£		47,573	6,833	0.07
Pay 3.363% Receive Var. Jan 2053	40,000,000	£		46,780	3,094	0.03
Pay 3.395% Receive Var. Jan 2053	40,000,000	£		46,780	2,830	0.03
Pay 3.0565% Receive Var. Jan 2053	50,000,000	US\$		46,363	5,181	0.05
Pay 3.549% Receive Var. Feb 2053	35,000,000	£		40,933	1,253	0.01
Pay 3.4375% Receive Var. Apr 2053	50,000,000	£		58,475	3,775	0.04
Pay 2.44% Receive Var. Mar 2054	50,000,000	€		50,000	(964)	(0.01)
Pay 2.305% Receive Var. Mar 2054	50,000,000	€		50,000	412	0.00
Pay 2.3132% Receive Var. Mar 2054	50,000,000	€		50,000	327	0.00
Pay 2.3892% Receive Var. Mar 2054	50,000,000	€		50,000	(469)	0.00
<b>Interest rate futures</b>					<b>(1,799)</b>	<b>(0.02)</b>
Deutscher Bund 10 year Futures	(2,000)	€	06.06.2024	2,007	(2,150)	(0.02)

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Interest rate futures</b> (continued)						
Deutscher Buxl 30 year Futures	(500)	€	06.06.2024	391	(1,026)	(0.01)
US Treasury Notes 10 year Futures	8,000	US\$	18.06.2024	7,434	1,389	0.01
US Treasury Notes 10 year Futures	8,000	US\$	18.06.2024	7,587	3	0.00
US Treasury Notes 5 year Futures	7,000	US\$	28.06.2024	6,519	(15)	0.00
<b>Currency</b>					<b>(24,743)</b>	<b>(0.26)</b>
<b>Forward currency contracts</b>					<b>(24,743)</b>	<b>(0.26)</b>
Bought for € 1,024,676,072.39, Sold for £ 874,489,300.46			24.04.2024	1,022,718	2,708	0.03
Bought for € 18,683,517.60, Sold for NZD 33,705,841.11			24.04.2024	18,634	65	0.00
Bought for € 495,765,258.91, Sold for US\$ 543,388,469.68			24.04.2024	503,861	(7,671)	(0.08)
Bought for £ 19,386,666.08, Sold for € 22,585,915.89			24.04.2024	22,673	70	0.00
Bought for NZD 9,382,271.78, Sold for € 5,202,347.13			24.04.2024	5,187	(20)	0.00
Bought for US\$ 32,548,170.84, Sold for € 29,941,127.96			24.04.2024	30,180	214	0.00
Bought for € 1,105,509,536.74, Sold for £ 948,312,255.29			22.05.2024	1,109,055	(1,646)	(0.02)
Bought for € 1,782,867,989.45, Sold for US\$ 1,941,256,273.29			22.05.2024	1,800,042	(13,621)	(0.14)
Bought for € 995,378,825.13, Sold for £ 855,500,062.80			20.06.2024	1,000,510	(2,359)	(0.02)
Bought for € 816,011,569.05, Sold for US\$ 885,527,568.32			20.06.2024	821,112	(2,483)	(0.03)
<b>Portfolio of investments</b>					<b>8,756,923</b>	<b>91.71</b>
<b>Cash equivalents</b>					<b>443,554</b>	<b>4.65</b>
<b>'AAA' rated money market funds</b>					<b>443,554</b>	<b>4.65</b>
JPMorgan Liquidity Funds – EUR Liquidity LVNAV Fund – Euro Institutional Class (Flexible Distribution)	11,945	€			122,067	1.28
Morgan Stanley Liquidity Funds – Euro Liquidity Fund Class 'D'	24,529	€			251,066	2.63
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	70,421,302	€			70,421	0.74
<b>Share class hedging</b>					<b>10,929</b>	<b>0.12</b>
Bought for AU\$ 21,680,468.40, Sold for € 13,071,475.42			24.04.2024	13,049	(27)	0.00
Bought for CHF 91,425,399.03, Sold for € 94,204,633.31			24.04.2024	93,603	(465)	0.00
Bought for € 9,155.47, Sold for AU\$ 15,183.02			24.04.2024	9	0	0.00
Bought for € 1,935,061.75, Sold for CHF 1,878,014.89			24.04.2024	1,921	8	0.00
Bought for € 18,412.18, Sold for £ 15,791.03			24.04.2024	18	0	0.00

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Share class hedging</b> (continued)						
Bought for € 1,415,686.69, Sold for SG\$ 2,065,494.64			24.04.2024	1,417	(2)	0.00
Bought for £ 15,870,453.00, Sold for € 18,500,930.04			24.04.2024	18,559	46	0.00
Bought for HK\$ 22,066,608.66, Sold for € 2,603,681.44			24.04.2024	2,614	10	0.00
Bought for SG\$ 145,730,761.79, Sold for € 100,028,368.34			24.04.2024	100,005	(11)	0.00
Bought for ZAR 6,194,823.95, Sold for € 301,260.27			24.04.2024	301	0	0.00
Bought for € 134,535,244.87, Sold for US\$ 146,566,807.49			22.05.2024	135,902	(1,099)	(0.01)
Bought for US\$ 1,755,816,647.23, Sold for € 1,612,409,175.73			22.05.2024	1,628,098	12,469	0.13
<b>Total portfolio</b>					<b>9,211,406</b>	<b>96.48</b>
Net other assets/(liabilities)					337,045	3.52
<b>Net assets</b>					<b>9,548,451</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					31,031	0.33
Debt securities					8,569,939	89.75
Swap contracts					184,062	1.92
Unrealised gains on futures contracts					1,392	0.01
Unrealised gains on forward currency contracts					15,590	0.16
<b>Total Investment assets</b>					<b>8,802,014</b>	<b>92.17</b>
<b>Investment liabilities</b>						
Swap contracts					(1,567)	(0.01)
Unrealised losses on futures contracts					(3,191)	(0.03)
Unrealised losses on forward currency contracts					(29,404)	(0.30)
<b>Total Investment liabilities</b>					<b>(34,162)</b>	<b>(0.34)</b>
<b>Total portfolio</b>					<b>8,767,852</b>	<b>91.83</b>
<b>Cash equivalents</b>					<b>443,554</b>	<b>4.65</b>
<b>Net other assets/(liabilities)</b>					<b>337,045</b>	<b>3.52</b>
<b>Net assets</b>					<b>9,548,451</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

The accompanying notes to the financial statements are an integral part of these financial statements.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Bank of America Merrill Lynch	0	0	1,391	0
Barclays Bank London	149,035	0	0	337,508
BNP Paribas	0	2,708	0	0
Citigroup Global Markets Limited	0	0	0	4,996
HSBC Bank Plc	0	0	0	681
JPMorgan London	0	0	0	20
Merrill Lynch Pierce Fenner + Smith Inc	0	284	0	0
National Australia Bank Ltd	0	65	0	0
State Street Bank and Trust Company	0	12,540	0	6,686
State Street Bank and Trust Company, London Branch	0	1	0	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Australian dollar</b>						
Class 'A-H' Accumulation	+7.5	-0.5	n/a	+0.8	n/a	26.04.19
Class 'A-H M' Distribution	+7.4	-0.5	n/a	+0.8	n/a	26.04.19
Class 'A-H M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'C-H' Accumulation	+8.0	0.0	n/a	+1.3	n/a	26.04.19
Class 'C-H M' Distribution	+8.0	0.0	n/a	+1.3	n/a	26.04.19



# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+7.1	-1.3	+0.5	+4.3	20.04.07	07.09.18
Class 'A' Distribution	+7.1	-1.3	+0.5	+1.7	12.07.13	07.09.18
Class 'B' Accumulation	+6.6	-1.8	0.0	+0.9	11.09.15	07.09.18
Class 'B' Distribution	+6.6	-1.7	0.0	+0.9	11.09.15	07.09.18
Class 'C' Accumulation	+7.6	-0.8	+1.0	+4.9	20.04.07	07.09.18
Class 'C' Distribution	+7.6	-0.8	+1.0	+1.7	08.08.14	07.09.18
Class 'CI' Accumulation	+7.7	-0.7	+1.0	+4.9	20.04.07	07.09.18
Class 'CI' Distribution	+7.7	-0.7	+1.0	+1.6	08.08.14	17.12.18
Class 'CI-H' Accumulation <sup>c</sup>	+11.6	+17.2	n/a	+13.4	27.04.18	04.09.20
Class 'J' Accumulation	+7.8	-0.6	+1.2	+0.9	27.04.18	07.09.18
Class 'J' Distribution	+7.8	-0.6	n/a	+1.2	n/a	28.05.19
Class 'JI' Accumulation	+7.9	-0.6	+1.2	+0.9	27.04.18	05.10.18
Class 'JI' Distribution	+7.9	-0.6	n/a	+1.2	n/a	28.05.19
<b>Hong Kong dollar</b>						
Class 'A-H' Accumulation	+8.2	+0.1	n/a	+1.8	n/a	26.04.19
Class 'A-H M' Distribution	+8.2	+0.1	n/a	+1.8	n/a	26.04.19
Class 'A-H M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'C-H' Accumulation	+8.8	+0.6	n/a	+2.3	n/a	26.04.19
Class 'C-H M' Distribution	+8.8	+0.6	n/a	+2.3	n/a	26.04.19
<b>Singapore dollar</b>						
Class 'A-H' Accumulation	+7.3	-0.1	+1.8	+2.6	16.01.15	07.09.18
Class 'A-H M' Distribution	+7.3	-0.1	+1.8	+2.6	16.01.15	07.09.18
Class 'A-H M F1' Distribution	+7.3	-0.1	n/a	+0.7	n/a	19.11.20
Class 'C-H' Accumulation	+7.9	+0.4	+2.3	+3.1	16.01.15	07.09.18
Class 'C-H M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'J-H' Accumulation	+8.1	+0.6	n/a	+2.5	n/a	28.05.19
Class 'J-H M' Distribution	+8.1	+0.6	n/a	+2.4	n/a	28.05.19
Class 'J-H M F1' Distribution	n/a	n/a	n/a	+0.4 <sup>b</sup>	n/a	06.03.24
Class 'JI-H' Accumulation	+8.2	+0.6	n/a	+2.0	n/a	05.07.19
Class 'JI-H M' Distribution	+8.2	+0.6	n/a	+2.0	n/a	05.07.19
<b>South African rand</b>						
Class 'A-H M F2' Distribution	+12.0	n/a	n/a	+3.4	n/a	23.09.21
Class 'X-H M F2' Distribution	+10.9	n/a	n/a	+2.4	n/a	23.09.21

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Sterling</b>						
Class 'A-H' Accumulation	+8.5	-0.1	n/a	+1.0	n/a	05.07.19
Class 'A-H' Distribution	+8.4	-0.1	n/a	+1.0	n/a	05.07.19
Class 'C-H' Accumulation	+9.0	+0.4	+1.9	+1.9	n/a	14.03.19
Class 'C-H' Distribution	+9.0	+0.4	+2.0	+2.1	n/a	22.02.19
Class 'CI-H' Distribution	+9.0	+0.4	+2.0	+2.0	n/a	29.03.19
Class 'J-H' Accumulation	+9.2	+0.5	n/a	+2.1	n/a	28.05.19
Class 'J-H' Distribution	+9.2	+0.5	n/a	+2.2	n/a	28.05.19
Class 'JI-H' Accumulation	+9.3	+0.6	n/a	+2.2	n/a	28.05.19
Class 'JI-H' Distribution	+9.2	+0.6	n/a	+2.2	n/a	28.05.19
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+4.8	-2.3	-0.3	+1.6	28.09.12	07.09.18
Class 'A-H' Distribution	+4.8	-2.3	-0.3	+0.4	16.01.15	07.09.18
Class 'C-H' Accumulation	+5.3	-1.8	+0.3	+2.2	28.09.12	07.09.18
Class 'C-H' Distribution	+5.4	-1.8	+0.2	+1.0	16.01.15	07.09.18
Class 'CI-H' Accumulation	+5.4	-1.8	+0.3	+2.2	28.09.12	07.09.18
Class 'J-H' Accumulation	+5.5	-1.6	+0.4	+0.3	27.04.18	07.09.18
Class 'J-H' Distribution	+5.6	-1.6	n/a	+0.1	n/a	15.10.19

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A-H' Accumulation	+9.1	+0.6	+2.4	+4.4	01.10.10	07.09.18
Class 'A-H' Distribution	+9.0	+0.5	+2.4	+3.0	08.08.14	07.09.18
Class 'A-H M' Distribution	+9.1	+0.6	+2.4	+3.0	16.01.15	07.09.18
Class 'A-H M F' Distribution	+9.0	+0.6	n/a	+4.6	n/a	03.04.20
Class 'A-H M F1' Distribution	+9.1	+0.6	n/a	+1.3	n/a	19.11.20
Class 'C-H' Accumulation	+9.6	+1.1	+2.9	+4.9	01.10.10	07.09.18
Class 'C-H' Distribution	+9.5	+1.0	+2.9	+3.5	08.08.14	07.09.18
Class 'C-H M' Distribution	+9.6	n/a	n/a	+10.5	n/a	16.11.22
Class 'C-H M F1' Distribution	n/a	n/a	n/a	+0.5 <sup>b</sup>	n/a	06.03.24
Class 'CI-H' Accumulation	+9.6	+1.2	+3.0	+4.9	01.10.10	07.09.18
Class 'CI-H' Distribution	+9.6	+1.1	+2.9	+3.4	08.08.14	21.01.19
Class 'J-H' Accumulation	+9.8	+1.3	+3.1	+3.0	27.04.18	07.09.18
Class 'J-H' Distribution	+9.8	+1.2	+3.0	+3.0	27.04.18	07.09.18
Class 'J-H M' Distribution	+9.9	+1.3	n/a	+3.1	n/a	28.05.19
Class 'J-H M F1' Distribution	n/a	n/a	n/a	+0.5 <sup>b</sup>	n/a	06.03.24
Class 'JI-H' Accumulation	+9.9	+1.3	+3.1	+3.0	27.04.18	05.11.18
Class 'JI-H' Distribution	+9.8	+1.3	n/a	+3.1	n/a	28.05.19
Class 'JI-H M' Distribution	+9.9	+1.3	n/a	+3.1	n/a	28.05.19
Class 'X-H' Accumulation	+8.0	n/a	n/a	-0.3	n/a	23.11.21
Class 'X-H M' Distribution	+8.0	-0.4	n/a	+1.3	n/a	24.06.20
Class 'X-H M F' Distribution	+8.0	-0.4	n/a	+0.3	n/a	19.11.20

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 5 September 2018 is that of the relevant Merged Share Class of the M&G Optimal Income Fund, which includes UK taxes but excludes entry and exit charges. The M&G Optimal Income Fund is a UK authorised sub-fund which launched on 8 December 2006 and its non-Sterling share classes merged into M&G (Lux) Optimal Income Fund on 8 March 2019.

<sup>b</sup> Not annualised.

<sup>c</sup> Returns are up to 28 November 2023 the close date of the share class.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Australian dollar</b>		<b>AU\$</b>	<b>AU\$</b>	<b>AU\$</b>	
Class 'A-H' Accumulation	563,433.920	10.3988	9.6762	10.0613	1.36
Class 'A-H M' Distribution	1,750,209.186	8.9642	8.7757	9.5106	1.39
Class 'A-H M F1' Distribution	200.000	100.4155	n/a	n/a	1.51
Class 'C-H' Accumulation	4,466.000	10.6618	9.8718	10.2112	0.85
Class 'C-H M' Distribution	4,467.000	9.1917	8.9515	9.6517	0.85
<b>Euro</b>		<b>€</b>	<b>€</b>	<b>€</b>	
Class 'A' Accumulation	496,582,900.171	10.3617	9.6764	10.2026	1.34
Class 'A' Distribution	72,612,272.456	8.7866	8.6163	9.4058	1.34
Class 'B' Accumulation	16,808,667.602	10.0820	9.4621	10.0267	1.84
Class 'B' Distribution	4,825,277.523	8.5463	8.4230	9.2413	1.83
Class 'C' Accumulation	70,038,089.617	10.6563	9.9021	10.3884	0.84
Class 'C' Distribution	5,920,662.002	9.0355	8.8159	9.5750	0.84
Class 'CI' Accumulation	40,158,611.184	10.6819	9.9222	10.4056	0.80
Class 'CI' Distribution	1,039,120.000	9.3310	9.1005	9.8803	0.80
Class 'CI-H' Accumulation	n/a	n/a	13.4403	12.8262	n/a
Class 'J' Accumulation	7,524,441.512	10.7523	9.9721	10.4448	0.64
Class 'J' Distribution	772,842.756	9.2439	9.0017	9.7609	0.64
Class 'JI' Accumulation	47,577,702.283	10.7528	9.9682	10.4368	0.60
Class 'JI' Distribution	156,729.167	9.2651	9.0181	9.7750	0.60
<b>Hong Kong dollar</b>		<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	
Class 'A-H' Accumulation	143,709.719	109.0047	100.7000	103.9615	1.36
Class 'A-H M' Distribution	60,052.983	94.1448	91.4868	98.4390	1.39
Class 'A-H M F1' Distribution	200.000	1,004.3158	n/a	n/a	1.50
Class 'C-H' Accumulation	2,479.400	111.8759	102.8367	105.6113	0.85
Class 'C-H M' Distribution	2,479.500	96.5430	93.3299	99.9185	0.85

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Singapore dollar</b>		<b>SG\$</b>	<b>SG\$</b>	<b>SG\$</b>	
Class 'A-H' Accumulation	1,060,441.881	11.1883	10.4228	10.7355	1.36
Class 'A-H M' Distribution	6,872,423.795	9.4521	9.2621	9.9474	1.37
Class 'A-H M F1' Distribution	285,220.981	87.3544	86.4375	93.1251	1.38
Class 'C-H' Accumulation	330,476.379	11.5011	10.6601	10.9287	0.87
Class 'C-H M F1' Distribution	200.000	100.4200	n/a	n/a	1.00
Class 'J-H' Accumulation	1,220,055.328	11.2452	10.4039	10.6470	0.67
Class 'J-H M' Distribution	2,552,304.825	9.6427	9.3856	10.0141	0.67
Class 'J-H M F1' Distribution	200.100	100.4316	n/a	n/a	0.82
Class 'JI-H' Accumulation	17,492.605	10.9976	10.1686	10.4025	0.62
Class 'JI-H M' Distribution	8,004.000	9.4370	9.1766	9.7864	0.61
<b>South African rand</b>		<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	
Class 'A-H M F2' Distribution	8,938.621	126.0672	125.7268	138.6856	1.35
Class 'X-H M F2' Distribution	41,490.204	122.6838	123.6750	137.8806	2.36
<b>Sterling</b>		<b>£</b>	<b>£</b>	<b>£</b>	
Class 'A-H' Accumulation	417,854.031	10.4791	9.6617	10.0410	1.36
Class 'A-H' Distribution	192,575.427	9.2399	8.9518	9.6308	1.37
Class 'C-H' Accumulation	111,017.060	11.0102	10.1002	10.4429	0.86
Class 'C-H' Distribution	189,708.908	9.6881	9.3373	9.9922	0.85
Class 'CI-H' Distribution	15,596.163	9.6487	9.2946	9.9436	0.82
Class 'J-H' Accumulation	144,729.955	11.0780	10.1446	10.4707	0.67
Class 'J-H' Distribution	369,230.600	9.6750	9.3067	9.9445	0.67
Class 'JI-H' Accumulation	50,035.000	11.1038	10.1635	10.4871	0.62
Class 'JI-H' Distribution	75,741.498	9.6917	9.3176	9.9520	0.62
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A-H' Accumulation	2,256,135.708	9.9663	9.5113	10.0996	1.35
Class 'A-H' Distribution	395,276.871	8.4503	8.4629	9.3111	1.36
Class 'C-H' Accumulation	2,224,289.805	10.2564	9.7391	10.2882	0.85
Class 'C-H' Distribution	1,258,770.184	8.6905	8.6597	9.4769	0.86
Class 'CI-H' Accumulation	23,827.584	10.2768	9.7548	10.3006	0.82
Class 'J-H' Accumulation	2,213,270.329	10.3463	9.8050	10.3406	0.66
Class 'J-H' Distribution	789,021.227	8.7556	8.7075	9.5140	0.66

# Financial highlights

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A-H' Accumulation	62,948,333.322	11.5932	10.6296	10.8929	1.36
Class 'A-H' Distribution	4,703,629.820	9.8330	9.4733	10.0449	1.36
Class 'A-H M' Distribution	16,261,631.534	9.8229	9.4709	10.1152	1.37
Class 'A-H M F' Distribution	574,986.572	93.1055	91.2913	99.9930	1.36
Class 'A-H M F1' Distribution	1,103,789.404	89.2535	86.8139	93.0290	1.38
Class 'C-H' Accumulation	28,682,453.112	11.9128	10.8668	11.0832	0.85
Class 'C-H' Distribution	4,789,265.848	10.1114	9.6916	10.2278	0.86
Class 'C-H M' Distribution	369,868.638	10.7616	10.3239	n/a	0.90
Class 'C-H M F1' Distribution	200.000	100.5289	n/a	n/a	1.02
Class 'CI-H' Accumulation	410,409.911	11.9544	10.9034	11.1045	0.82
Class 'CI-H' Distribution	4,600.000	10.1889	9.7606	10.2929	0.81
Class 'J-H' Accumulation	5,124,308.184	12.0105	10.9344	11.1308	0.66
Class 'J-H' Distribution	823,506.130	10.1947	9.7486	10.2734	0.65
Class 'J-H M' Distribution	3,207,650.892	9.9517	9.5244	10.1048	0.67
Class 'J-H M F1' Distribution	200.100	100.5408	n/a	n/a	0.82
Class 'JI-H' Accumulation	200,156.210	12.0262	10.9382	11.1302	0.62
Class 'JI-H' Distribution	49,940.000	10.1382	9.6906	10.2023	0.62
Class 'JI-H M' Distribution	14,000.000	9.9540	9.5223	10.0978	0.61
Class 'X-H' Accumulation	2,000.000	9.9191	9.1831	9.5050	2.35
Class 'X-H M' Distribution	248,702.899	9.3089	9.0634	9.7758	2.35
Class 'X-H M F1' Distribution	150,427.957	81.3034	80.5276	89.2599	2.35

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

<b>NAV at sub-fund level</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Net assets	9,548,451	9,527,956	11,991,172
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>9,548,451</b>	<b>9,527,956</b>	<b>11,991,172</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

European stockmarkets generally performed strongly during the period under review. This was due to a combination of factors, including signs of easing inflation, hopes of impending interest rate cuts and excitement about artificial intelligence (AI).

Fears that interest rates would remain higher for longer in the autumn of 2023 and ongoing geopolitical issues all triggered dips in market performance during the course of the period.

Against this backdrop, the sub-fund delivered a positive return and outperformed its benchmark, the MSCI Europe Net Return Index, which returned 14.79% (in euro terms) and 14.11% (in US dollar terms). Stock selection in healthcare, communication services and financials boosted relative returns. The sub-fund's above-benchmark position in industrials also had a positive impact on relative performance. In contrast, stock selection in industrials and consumer discretionary dented relative returns, as did the sub-fund's above-benchmark position in communication services.

The top contributors to relative performance were Bank of Georgia and Novo Nordisk. Novo Nordisk has become one of Europe's most valuable companies following exponential demand for its weight-loss drug, Wegovy and diabetes medication, Ozempic.

Key detractors from relative performance included Pets at Home, DSV and WH Smith. Two announcements from the Competition and Markets Authority (CMA) contributed to Pets at Home's poor share price performance over the period. In September, the CMA announced a review of veterinary service fees while in March it initiated a formal investigation into the veterinary industry. One of the CMA's key concerns is that customers are paying too much for treatment.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the period, we added Danish energy company, Ørsted, to the sub-fund, taking advantage of its recent share price weakness. We believe that potential developments such as favourable policy measures and the easing of supply issues could be advantageous for the company.

We also opened a position in Siemens. Excitement about some of Siemens' competitors is growing; the stock therefore seems a good choice from a relative value perspective. We also believe that Siemens offers a significant margin of safety (the difference between the current share price and what we believe to be the intrinsic value of the company).

### ESG engagements

During the course of the period, we engaged with a number of companies on environmental, social and governance issues. We met Danish pharmaceutical company ALK-Abelló to ensure it was on track to have its near-term climate goals validated by the Science Based Targets initiative (SBTi). We suggested that the business disclose its strategy for achieving these targets and that variable remuneration be tied into milestones. The company confirmed that it was at the last stage of the finalisation process for its 2030 target; this will then need approval from the board before being submitted to the SBTi. The company is seeking to simplify its non-financial remuneration KPIs; in doing so, it will consider embedding climate targets into this KPI framework.

We liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We encouraged Novo Nordisk to publish a roadmap detailing its engagement efforts with suppliers. Furthermore, we suggested that it provide forward-looking milestones on its path to decarbonisation and that it disclose emissions connected to its supply of plastic.

# Investment review

We met UK retailer WH Smith to ask it to publish milestones in its roadmap for achieving emission reduction targets. We asked it to tie some executive remuneration into reaching these milestones. We also reiterated our suggestion that its workforce be paid in line with the real living wage. We believe this would act as a retention mechanism.

## Outlook

We are comfortable with the balance of the sub-fund having tweaked it slightly, redirecting capital from some of our top performers to contrarian opportunities, such as Ørsted and Siemens, which is trading at a discount to comparative alternatives and our estimate of its intrinsic value.

This does not mean we are calling for a shift in market leadership or favouring a particular style. We simply continue to pursue our longstanding strategy of maintaining a concentrated and balanced portfolio of high-quality companies, while looking to add to stocks offering a significant margin of safety.

We still have faith in the long-term outlook for those companies we consider winners, such as Novo Nordisk and Schneider Electric. However, we also prudently trim holdings as valuations bake in more future success.

## John William Olsen

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.



## Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>256,518</b>	<b>96.46</b>
<b>Chemicals</b>					<b>13,648</b>	<b>5.13</b>
Akzo Nobel	108,768	€			7,564	2.84
Linde	9,453	€			4,061	1.53
Linde	4,679	US\$			2,023	0.76
<b>Electrical equipment</b>					<b>19,683</b>	<b>7.40</b>
Legrand	82,696	€			8,110	3.05
Schneider Electric	55,115	€			11,573	4.35
<b>Industrial conglomerates</b>						
Siemens	36,353	€			<b>6,439</b>	<b>2.42</b>
<b>Machinery</b>					<b>12,075</b>	<b>4.54</b>
ANDRITZ	120,519	€			6,906	2.60
Weir Group	219,475	£			5,169	1.94
<b>Commercial services &amp; supplies</b>					<b>8,359</b>	<b>3.14</b>
ISS	307,967	DKK			5,196	1.95
Societe BIC	47,884	€			3,163	1.19
<b>Professional services</b>						
RELX	233,519	£			<b>9,380</b>	<b>3.53</b>
<b>Air freight &amp; logistics</b>						
DSV	51,313	DKK			<b>7,710</b>	<b>2.90</b>
<b>Marine</b>						
Kuehne & Nagel International	24,074	CHF			<b>6,140</b>	<b>2.31</b>
<b>Textiles, apparel &amp; luxury goods</b>						
Pandora	48,297	DKK			<b>7,192</b>	<b>2.71</b>
<b>Specialty retail</b>					<b>15,190</b>	<b>5.71</b>
Pets at Home Group	2,037,054	£			6,449	2.42
WH Smith	568,804	£			8,741	3.29
<b>Food products</b>						
Nestlé	85,942	CHF			<b>8,417</b>	<b>3.17</b>
<b>Household products</b>						
Reckitt Benckiser Group	92,458	£			<b>4,871</b>	<b>1.83</b>
<b>Personal products</b>					<b>11,832</b>	<b>4.45</b>
Haleon	890,452	£			3,456	1.30

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Personal products (continued)</b>						
Unilever	180,728	£			8,376	3.15
<b>Health care providers &amp; services</b>						
Fresenius Medical Care	113,110	€			<b>4,047</b>	<b>1.52</b>
<b>Pharmaceuticals</b>					<b>31,391</b>	<b>11.80</b>
ALK-Abello	438,383	DKK			7,274	2.73
GSK	169,854	£			3,394	1.28
Novo Nordisk 'B'	174,838	DKK			20,723	7.79
<b>Banks</b>					<b>27,152</b>	<b>10.21</b>
AIB Group	2,456,636	€			11,441	4.30
Bank of Georgia Group	109,934	£			6,454	2.43
ING Groep	608,989	€			9,257	3.48
<b>Insurance</b>					<b>12,812</b>	<b>4.82</b>
Hannover Rück	30,481	€			7,751	2.92
Hiscox	349,276	£			5,061	1.90
<b>IT services</b>						
Amadeus IT Group	122,813	€			<b>7,370</b>	<b>2.77</b>
<b>Software</b>						
SAP	54,476	€			<b>9,877</b>	<b>3.71</b>
<b>Entertainment</b>					<b>16,556</b>	<b>6.23</b>
CTS Eventim	123,380	€			10,265	3.86
Universal Music Group	227,858	€			6,291	2.37
<b>Interactive media &amp; services</b>						
Scout24	160,291	€			<b>11,081</b>	<b>4.17</b>
<b>Electric utilities</b>						
Ørsted	102,568	DKK			<b>5,296</b>	<b>1.99</b>
<b>Portfolio of investments</b>					<b>256,518</b>	<b>96.46</b>
<b>Cash equivalents</b>					<b>6,687</b>	<b>2.51</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	6,686,690	€			<b>6,687</b>	<b>2.51</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Share class hedging</b>					0	0.00
Bought for US\$ 20,433.19, Sold for € 18,843.97			24.04.2024	19	0	0.00
<b>Total portfolio</b>					263,205	98.97
Net other assets/(liabilities)					2,737	1.03
<b>Net assets</b>					265,942	100.00
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					256,518	96.46
<b>Total Investment assets</b>					<b>256,518</b>	<b>96.46</b>
<b>Total portfolio</b>					<b>256,518</b>	<b>96.46</b>
<b>Cash equivalents</b>					<b>6,687</b>	<b>2.51</b>
<b>Net other assets/(liabilities)</b>					<b>2,737</b>	<b>1.03</b>
<b>Net assets</b>					<b>265,942</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+17.0	+9.7	+9.2	+5.3	28.11.01	09.11.18
Class 'B' Accumulation	+16.4	+9.2	+8.6	+7.9	21.03.16	09.11.18
Class 'C' Accumulation	+17.9	+10.5	+10.0	+7.7	29.09.89	09.11.18
Class 'C' Distribution	n/a	n/a	n/a	+2.1 <sup>b</sup>	n/a	20.03.24
Class 'CI' Accumulation	+18.0	+10.6	+10.0	+7.7	29.09.89	19.11.18
<b>South African rand</b>						
Class 'A-H' Accumulation <sup>c</sup>	+12.6	n/a	n/a	+18.3	n/a	24.05.22
Class 'X-H' Accumulation <sup>c</sup>	+11.2	n/a	n/a	+16.8	n/a	24.05.22
<b>Swedish Krona</b>						
Class 'N' Accumulation	+19.8	n/a	n/a	+21.7	n/a	22.02.23

## Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A' Accumulation	+16.1	+6.7	+8.3	+6.2	08.08.14	09.11.18
Class 'C' Accumulation	+17.0	+7.5	+9.1	+7.0	08.08.14	09.11.18
Class 'C-H' Accumulation	n/a	n/a	n/a	+3.0 <sup>b</sup>	n/a	06.03.24
Class 'X' Accumulation	+15.0	n/a	n/a	+9.9	n/a	21.04.22

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Pan European Select Fund, which includes UK taxes but excludes entry and exit charges. The M&G Pan European Select Fund is a UK authorised sub-fund which launched on 29 September 1989 and its non-Sterling share classes merged into M&G (Lux) Pan European Select Fund on 9 November 2018.

<sup>b</sup> Not annualised.

<sup>c</sup> Returns are up to 28 December 2023 the close date of the share class.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	4,030,086.239	31.9953	27.3393	25.5292	1.71
Class 'B' Accumulation	82,407.623	18.3047	15.7191	14.7519	2.21
Class 'C' Accumulation	2,132,585.957	37.9414	32.1838	29.8310	0.97
Class 'C' Distribution	1,000.000	10.2051	n/a	n/a	1.47
Class 'CI' Accumulation	3,060,705.510	17.1119	14.5077	13.4407	0.92
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H' Accumulation	n/a	n/a	174.3401	n/a	n/a
Class 'X-H' Accumulation	n/a	n/a	172.8497	n/a	n/a
<b>Swedish Krona</b>		SEK	SEK	SEK	
Class 'N' Accumulation	40,880.256	124.2173	103.7071	n/a	1.73
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	12,681.140	17.8145	15.3427	14.6232	1.70
Class 'C' Accumulation	84,985.699	19.1830	16.4018	15.5160	1.00
Class 'C-H' Accumulation	2,000.000	10.2958	n/a	n/a	1.15
Class 'X' Accumulation	1,000.000	12.0076	10.4434	n/a	2.70

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24	31.03.23	31.03.22
	€'000	€'000	€'000
Net assets	265,942	138,307	115,637
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>265,942</b>	<b>138,307</b>	<b>115,637</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global equity markets generally performed strongly in the period under review. This was due to a combination of factors, including economic growth, signs of easing inflation and hopes of impending interest rate cuts.

Fears that interest rates would remain higher for longer in the autumn and ongoing geopolitical issues all triggered dips in market performance during the course of the period. However, share prices jumped in December after the Fed indicated that rate cuts were likely in 2024.

The tech sector played a crucial role in buoying equity markets. In 2023, the 'Magnificent Seven' mega cap tech stocks delivered exponential returns, largely due to excitement about artificial intelligence (AI). Some of the big tech names continued to perform well into the first quarter of 2024: NVIDIA's shares soared in February after the company released an exceptional earnings report, further stoking investor enthusiasm about AI.

Against this backdrop, the sub-fund delivered a positive return, but underperformed its benchmark, the MSCI ACWI Net Return Index, which returned 23.95% (in euros) and 23.22% (in US dollars). Stock selection in technology proved particularly detrimental to relative performance. To a lesser extent, stock picking in healthcare and utilities also hurt relative returns. The sub-fund's overweight to healthcare had a further negative impact on relative performance. In contrast, the sub-fund's lack of exposure to consumer staples boosted relative returns, as did stock picking in materials.

Key detractors from relative performance included SolarEdge, HDFC Bank and onsemi. SolarEdge's poor share price performance over the period reflects a beleaguered solar market. High interest rates (dampening demand for solar projects) and reduced incentives in California have dented the solar industry.

The top contributors to relative performance were Bank of Georgia, Horiba and Novo Nordisk. Novo Nordisk has become one of Europe's most valuable companies

following exponential demand for its weight-loss drug, Wegovy and diabetes medication, Ozempic.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

During the reporting period, we took out positions in Bank Rakyat Indonesia and Autodesk. Bank Rakyat Indonesia facilitates social inclusion by providing microlending services to underserved communities. Autodesk, a 3D designs and engineering software company, helps its users make better-informed decisions by creating, visualising and simulating object designs before they are applied. We also sold our entire position in Rockwool during the period; this was a result of its deteriorating fundamentals and our wavering belief in the long-term strength of its business model.

### ESG engagements

We met Danish pharmaceutical company ALK-Abelló to ensure it was on track to have its near-term climate goals validated by the Science Based Targets initiative (SBTi). We suggested that the business disclose its strategy for achieving these targets and that variable remuneration be tied into milestones. The company confirmed that it was at the last stage of the finalisation process for its 2030 target; this will then need approval from the board before being submitted to the SBTi. The company is seeking to simplify its non-financial remuneration KPIs; in doing so, it will consider embedding climate targets into this KPI framework.

We liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI).

We met semiconductor manufacturer onsemi to discuss its decarbonisation plans. We urged the company to have its targets validated by the Science Based Targets initiative (SBTi). We also encouraged it to align long-term executive remuneration with these targets. We

# Investment review

proposed that the company disclose emissions avoided through use of its products in order to demonstrate its positive impact. The company has published its Scope 3 emissions across 12 categories and is developing a climate transition plan.

Last year, we met Oxford Nanopore to verify whether it had effective policies and procedures in place to avoid misuse of its equipment, particularly in China and Tibet. In early 2024, we followed up on this meeting. We asked the company to release a public statement about where it will not sell its products and also suggested that the business provide further training to its operations staff to clearly explain why sales restrictions are in place. We believe this would lead to better enforcement.

## Outlook

We are comfortable with the sub-fund balance and have not felt a need to make major changes. The relative value of the sub-fund now seems even clearer to us as certain parts of the market have become more stretched.

As usual, we are reluctant to make definitive comments on market direction, or which styles will work in the near term. However, we note that there has been a de-rating of the portfolio relative to the benchmark – where certain groups of large-cap stocks are looking increasingly stretched, in our view. We believe that our positive impact companies generally offer good long-term growth prospects. We note that sentiment on many stocks in both the healthcare and renewables sectors is still muted; this should offer a better margin of safety (the difference between the current share price and what we believe to be the intrinsic value of the company) for the portfolio as a whole.

## John William Olsen

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.



# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>216,102</b>	<b>97.96</b>
<b>Software &amp; computer services</b>					<b>20,247</b>	<b>9.18</b>
Ansys	23,774	US\$			8,265	3.75
Autodesk	26,407	US\$			6,890	3.12
eBay	98,058	US\$			5,092	2.31
<b>Technology hardware &amp; equipment</b>						
ON Semiconductor	136,331	US\$			<b>10,266</b>	<b>4.65</b>
<b>Telecommunications service providers</b>					<b>5,068</b>	<b>2.30</b>
Helios Towers	2,352,752	£			2,823	1.28
Safaricom	16,916,456	KES			2,245	1.02
<b>Health care providers</b>					<b>16,947</b>	<b>7.68</b>
Quest Diagnostics	54,645	US\$			7,156	3.24
UnitedHealth Group	19,855	US\$			9,791	4.44
<b>Medical equipment &amp; services</b>					<b>19,696</b>	<b>8.93</b>
Becton Dickinson	27,789	US\$			6,676	3.03
Fresenius Medical Care	71,833	€			2,772	1.26
Thermo Fisher Scientific	17,757	US\$			10,248	4.64
<b>Pharmaceuticals &amp; biotechnology</b>					<b>32,624</b>	<b>14.79</b>
ALK-Abello	358,613	DKK			6,417	2.91
Grifols 'B'	304,411	€			1,976	0.89
Illumina	21,990	US\$			3,041	1.38
Novo Nordisk 'B'	132,367	DKK			16,920	7.67
Oxford Nanopore Technologies	691,697	£			1,077	0.49
PureTech Health	1,117,566	£			3,193	1.45
<b>Banks</b>					<b>24,992</b>	<b>11.33</b>
Bank of Georgia Group	182,055	£			11,527	5.23
Bank Rakyat Indonesia	11,787,900	IDR			4,507	2.04
HDFC Bank ADR	160,443	US\$			8,958	4.06
<b>Life insurance</b>						
AMERISAFE	73,166	US\$			<b>3,632</b>	<b>1.65</b>
<b>Household goods &amp; home construction</b>						
Katitas	139,800	¥			<b>1,820</b>	<b>0.82</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>Electronic &amp; electrical equipment</b>					<b>43,162</b>	<b>19.57</b>
Agilent Technologies	46,457	US\$			6,851	3.10
Ceres Power Holdings	265,829	£			479	0.22
Horiba	86,200	¥			8,904	4.04
IPG Photonics	33,369	US\$			3,019	1.37
Johnson Controls International	169,851	US\$			11,013	4.99
Schneider Electric	56,950	€			12,896	5.85
<b>General industrials</b>					<b>12,201</b>	<b>5.53</b>
Brambles	641,296	AU\$			6,722	3.05
DS Smith	1,097,698	£			5,479	2.48
<b>Industrial support services</b>					<b>17,965</b>	<b>8.14</b>
Bright Horizons Family Solutions	33,605	US\$			3,790	1.72
Republic Services	53,959	US\$			10,335	4.68
UniFirst	22,315	US\$			3,840	1.74
<b>Gas, water &amp; multi-utilities</b>					<b>7,482</b>	<b>3.39</b>
Ørsted	95,572	DKK			5,322	2.41
SolarEdge Technologies	31,086	US\$			2,160	0.98
<b>Portfolio of investments</b>					<b>216,102</b>	<b>97.96</b>
<b>Share class hedging</b>					<b>0</b>	<b>0.00</b>
Bought for SG\$ 41,765.18, Sold for US\$ 31,084.53			24.04.2024	31	0	0.00
Bought for US\$ 86.70, Sold for SG\$ 116.51			24.04.2024	0	0	0.00
<b>Total portfolio</b>					<b>216,102</b>	<b>97.96</b>
Net other assets/(liabilities)					4,499	2.04
<b>Net assets</b>					<b>220,601</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	216,102	97.96
<b>Total Investment assets</b>	<b>216,102</b>	<b>97.96</b>
<b>Total portfolio</b>	<b>216,102</b>	<b>97.96</b>
<b>Net other assets/(liabilities)</b>	<b>4,499</b>	<b>2.04</b>
<b>Net assets</b>	<b>220,601</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+7.5	+2.4	+7.9	+8.6	29.11.18
Class 'A' Distribution	+7.5	+2.4	+7.9	+8.6	29.11.18
Class 'C' Accumulation	+8.5	+3.5	+9.0	+9.6	29.11.18
Class 'C' Distribution	+8.5	+3.5	+9.0	+9.6	29.11.18
Class 'CI' Accumulation	+8.6	+3.5	+9.1	+9.7	29.11.18
Class 'L' Accumulation	+9.0	+3.9	+9.5	+10.1	29.11.18
Class 'LI' Accumulation	+9.1	+4.0	+9.5	+10.1	29.11.18
<b>Singapore dollar</b>					
Class 'A-H' Accumulation	n/a	n/a	n/a	+4.8 <sup>a</sup>	30.05.23
Class 'A-H M' Distribution	n/a	n/a	n/a	+4.9 <sup>a</sup>	30.05.23
<b>South African rand</b>					
Class 'A-H' Accumulation <sup>b</sup>	+3.5	n/a	n/a	-4.5	04.11.21
Class 'X-H' Accumulation <sup>b</sup>	+2.7	n/a	n/a	-5.4	04.11.21
<b>Sterling</b>					
Class 'C' Accumulation	+5.7	+3.6	+9.0	+8.8	29.11.18
Class 'C' Distribution	+5.7	+3.6	+9.0	+8.8	29.11.18
Class 'CI' Accumulation	+5.7	+3.6	+9.0	+8.9	29.11.18
Class 'L' Accumulation	+6.1	+4.0	+9.4	+9.3	29.11.18
Class 'L' Distribution	+6.1	+4.0	n/a	+6.9	15.09.20
Class 'LI' Accumulation	+6.2	+4.1	+9.5	+9.3	29.11.18

# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Swiss franc</b>					
Class 'A' Accumulation	+5.2	-1.8	+5.1	+5.6	29.11.18
Class 'A' Distribution	+5.3	-1.7	+5.1	+5.6	29.11.18
Class 'C' Accumulation	+6.3	-0.8	+6.1	+6.7	29.11.18
Class 'C' Distribution	+6.3	-0.8	+6.1	+6.7	29.11.18
Class 'CI' Accumulation	+6.3	-0.7	+6.2	+6.7	29.11.18
Class 'L' Accumulation	+6.8	-0.3	+6.5	+7.1	29.11.18
Class 'LI' Accumulation	+6.8	-0.3	+6.6	+7.1	29.11.18
<b>US dollar</b>					
Class 'A' Accumulation	+6.6	-0.4	+7.1	+7.5	29.11.18
Class 'A' Distribution	+6.6	-0.4	+7.1	+7.5	29.11.18
Class 'A M' Distribution	n/a	n/a	n/a	+6.6 <sup>a</sup>	30.05.23
Class 'C' Accumulation	+7.7	+0.6	+8.1	+8.6	29.11.18
Class 'C' Distribution	+7.7	+0.6	+8.1	+8.6	29.11.18
Class 'CI' Accumulation	+7.7	+0.6	+8.2	+8.6	29.11.18
Class 'L' Accumulation	+8.1	+1.0	+8.6	+9.0	29.11.18
Class 'L' Distribution	+8.1	+1.0	n/a	+6.2	15.09.20
Class 'LI' Accumulation	+8.2	+1.1	+8.6	+9.1	29.11.18
Class 'X' Accumulation <sup>b</sup>	+1.2	n/a	n/a	-7.0	23.09.21

<sup>a</sup> Not annualised.

<sup>b</sup> Returns are up to 28 December 2023 the close date of the share class.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,329,585.053	15.4941	14.4190	14.9914	1.97
Class 'A' Distribution	250,616.943	14.7045	13.8747	14.5973	1.97
Class 'C' Accumulation	403,760.199	16.3440	15.0597	15.5047	0.97
Class 'C' Distribution	31,343.949	15.5179	14.4973	15.0978	0.98
Class 'CI' Accumulation	3,715,879.074	16.3839	15.0908	15.5312	0.93
Class 'L' Accumulation	1,370,554.721	16.6964	15.3161	15.6979	0.52
Class 'LI' Accumulation	3,877,657.817	16.7356	15.3461	15.7224	0.48
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,000.000	10.4833	n/a	n/a	1.99
Class 'A-H M' Distribution	2,001.000	10.3680	n/a	n/a	2.00
<b>South African rand</b>		ZAR	ZAR	ZAR	
Class 'A-H' Accumulation	n/a	n/a	131.4457	137.2039	n/a
Class 'X-H' Accumulation	n/a	n/a	129.5992	136.6582	n/a
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	1,000.000	15.7052	14.8649	14.7274	0.96
Class 'C' Distribution	1,000.000	14.9142	14.3118	14.3454	0.97
Class 'CI' Accumulation	4,600.000	15.7373	14.8904	14.7477	0.93
Class 'L' Accumulation	37,817.044	16.0375	15.1157	14.9094	0.53
Class 'L' Distribution	362,636.525	12.2992	11.7507	11.7244	0.53
Class 'LI' Accumulation	4,600.000	16.0732	15.1406	14.9280	0.48

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A' Accumulation	4,530.000	13.3791	12.7137	13.6020	1.97
Class 'A' Distribution	1,000.000	12.7014	12.2360	13.2427	1.96
Class 'C' Accumulation	1,000.000	14.1152	13.2800	14.0660	0.96
Class 'C' Distribution	1,000.000	13.3993	12.7813	13.6942	0.97
Class 'CI' Accumulation	4,600.000	14.1421	13.3008	14.0826	0.93
Class 'L' Accumulation	1,150.000	14.4161	13.5030	14.2386	0.52
Class 'LI' Accumulation	4,600.000	14.4445	13.5247	14.2552	0.48
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	57,280.631	14.7050	13.7939	14.6412	1.97
Class 'A' Distribution	18,699.770	13.9548	13.2723	14.2526	1.97
Class 'A M' Distribution	1,000.000	10.5365	n/a	n/a	1.96
Class 'C' Accumulation	1,033.452	15.5166	14.4110	15.1439	0.96
Class 'C' Distribution	42,307.635	14.7288	13.8691	14.7432	0.97
Class 'CI' Accumulation	4,600.000	15.5464	14.4334	15.1616	0.93
Class 'L' Accumulation	275,535.154	15.8378	14.6453	15.3240	0.53
Class 'L' Distribution	154,639.917	12.0125	11.2608	11.9167	0.52
Class 'LI' Accumulation	723,131.712	15.8783	14.6758	15.3470	0.48
Class 'X' Accumulation	n/a	n/a	8.3984	9.0013	n/a

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	220,601	264,099	265,634
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>220,601</b>	<b>264,099</b>	<b>265,634</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global bond markets experienced heightened volatility during the period under review. Sentiment improved significantly amidst a broad market rally at the end of 2023, as inflation moderated, and as the market anticipated that major central banks were reaching the end of their tightening cycles. Despite some weakness in core government bonds during the first quarter of 2024, investment grade (IG) bonds ended the period with positive returns, helped by strong demand for the asset class. Short-dated IG bonds, with less than three years until maturity, also registered a positive return. These bonds have a lower duration (sensitivity to changes in interest rates).

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was ahead of the Markit iBoxx EUR Corporates 1-3 year Index across all of its share classes in the period under review. The index returned 4.75% in euro terms and 6.67% in US dollars over the same period.

The biggest driver of outperformance was the sub-fund's yield curve positioning, particularly our above benchmark (overweight) exposure to sterling and US dollar-denominated bonds.

Our credit positioning also contributed positively. At the sector level, our off-benchmark allocations to securitised debt and credit default swap (CDS) positions added value. However, the sub-fund's below benchmark (underweight) exposure to the industrial and financial sectors weighed on relative returns.

During the review period, the sub-fund maintained a low duration positioning of about 1.6 years, while its credit spread duration (sensitivity to changes in credit worthiness) averaged around 2.8 years over the period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

In the second quarter of 2023, we reduced our credit risk by selling some higher risk bonds and trimming our high yield (HY) CDS index positions (HY bonds have lower credit ratings and are therefore considered riskier). Furthermore, we marginally increased the credit quality at a sub-fund level by adding higher-rated IG bonds.

In July, we closed our remaining additional-tier 1 (AT1s) bond positions, which had rebounded from the lows reached during the failure of Swiss lender Credit Suisse in March.

As credit spreads tightened over the summer, we sold a range of bonds (corporates, financials, HY, and covered bonds) and closed some IG CDS index positions.

In government bonds, we reduced our holdings in UK government bonds (gilts).

In September, we preferred financials bonds to corporates due to the more aggressive spread tightening seen in the new issuances of the latter. Within financials, we focused on senior bonds, including covered bonds which typically carry lower credit risks.

Towards the end of the year, we continued to reduce credit risk, closing our position in French telecommunications firm Iliad, and our remaining HY CDS index positions. However, we still held on to two split bond-rated issuers: Banco Sabadell and Ford Motor.

In 2024, we closed relatively short IG bonds such as Mercedes-Benz Group and EssilorLuxottica.

In the primary market, we participated in new issues including those from Worldline, Bimbo Bakeries, Thames Water, Booking.com and some UK building societies. We also added new senior debt from UK and European banks as well as some AAA-rated residential mortgage-backed securities (RMBS).

### Outlook

As we move into 2024, the macroeconomic environment remains supportive for the IG market.



## Investment review

Inflationary pressures are slowly easing, while economies are growing, albeit at a slower pace. With interest rate cuts widely expected in 2024, this should also be a tailwind for fixed income markets in general.

With a relatively lower duration profile, the short-dated corporate bond asset class should provide a lower-volatility return profile compared against longer-dated bonds in the event that we see further volatility in bond yields.

The extra compensation for investing in corporate bonds from credit spreads has diminished in recent months. In our view, this in turn should lead investors to adopt a more cautious approach and favour higher quality companies, such as those in the IG universe. Moreover, the overall yield offered by this asset class remains historically appealing.

We believe active investors can continue to capitalise on market dislocations to mitigate tighter credit spreads and potentially achieve a better performance.

### Matthew Russell and Ben Lord

Co-sub-fund managers

On 5 February 2024 Ben Lord was appointed co-sub-fund manager.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>459,578</b>	<b>95.01</b>
<b>Debt securities</b>					<b>458,831</b>	<b>94.85</b>
<b>'AAA' credit rated bonds</b>					<b>182,771</b>	<b>37.78</b>
Avoca CLO XXV FRN	767,000	€	15.10.2034		759	0.16
Bank of Montreal FRN	5,000,000	£	02.09.2027		5,857	1.21
Bank of Nova Scotia FRN	4,000,000	£	09.03.2027		4,686	0.97
Blackrock European CLO XII FRN	1,000,000	€	17.01.2035		988	0.20
BPCE SFH 2.875%	2,400,000	€	15.01.2027		2,384	0.49
Cairn CLO XIV FRN	1,000,000	€	29.10.2034		993	0.21
Canada Square Funding FRN	1,721,242	£	17.06.2058		2,019	0.42
Canada Square Funding FRN	2,426,446	£	17.01.2059		2,838	0.59
Canadian Imperial Bank of Commerce FRN	4,000,000	£	30.06.2025		4,688	0.97
CIFC European Funding CLO V FRN	1,000,000	€	23.11.2034		990	0.20
Clydesdale Bank FRN	8,304,000	£	22.09.2028		9,733	2.01
Commerzbank 2.75%	3,729,000	€	09.01.2031		3,685	0.76
Coventry Building Society FRN	1,895,000	£	14.03.2028		2,219	0.46
Economic Master Issuer FRN	1,011,700	£	25.06.2074		1,187	0.25
Elstree Funding No. 2 FRN	1,599,943	£	21.12.2054		1,871	0.39
Erste Group Bank 2.875%	2,600,000	€	09.01.2031		2,570	0.53
Gemgarto FRN	429,538	£	16.12.2067		502	0.10
Germany (Federal Republic of) 0%	20,000,000	€	18.10.2024		19,620	4.06
Germany (Federal Republic of) 0%	10,000,000	€	16.04.2027		9,273	1.92
Glenbeigh 2 Issuer FRN	590,608	€	24.06.2050		591	0.12
Harbour FRN	1,301,134	£	28.01.2054		1,523	0.31
Holmes Master Issuer FRN	1,600,000	£	15.10.2072		1,879	0.39
Hops Hill No. 1 FRN	369,533	£	27.05.2054		433	0.09
Hops Hill No. 3 FRN	4,037,406	£	21.12.2055		4,744	0.98
International Bank for Reconstruction & Development FRN	5,000,000	US\$	22.11.2028		4,619	0.96
Jubilee Place FRN	845,209	€	17.07.2058		847	0.18
Lanebrook Mortgage Transaction FRN	1,198,619	£	20.07.2058		1,399	0.29
Leeds Building Society FRN	2,219,000	£	04.04.2029		2,599	0.54
Lloyds Bank 6%	3,000,000	£	08.02.2029		3,745	0.77
London Wall Mortgage Capital FRN	578,498	£	15.05.2052		677	0.14

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
Mortimer BTL FRN	287,895	£	23.06.2053		337	0.07
Mortimer BTL FRN	3,113,684	£	22.12.2056		3,665	0.76
National Australia Bank FRN	4,037,000	£	17.06.2026		4,730	0.98
National Westminster Bank FRN	2,000,000	£	28.03.2029		2,341	0.48
Nationwide Building Society FRN	4,130,000	£	24.02.2031		4,761	0.98
Palmer Square European Loan Funding FRN	467,507	€	15.07.2031		465	0.10
PCL Funding VIII FRN	4,000,000	£	15.05.2028		4,721	0.98
Pierpont BTL FRN	2,238,892	£	21.09.2054		2,633	0.54
Polaris FRN	2,578,076	£	23.10.2059		3,016	0.62
Precise Mortgage Funding FRN	79,641	£	16.10.2056		93	0.02
Residential Mortgage Securities 32 FRN	4,750,054	£	20.06.2070		5,566	1.15
Royal Bank of Canada FRN	8,000,000	£	18.01.2028		9,389	1.94
RRE 5 Loan Management FRN	1,000,000	€	15.01.2037		984	0.20
Santander UK FRN	2,000,000	£	12.01.2028		2,351	0.49
Santander UK 3%	2,505,000	€	12.03.2029		2,503	0.52
Stratton BTL Mortgage Funding FRN	1,504,861	£	20.01.2054		1,761	0.36
Together Asset Backed Securitisation FRN	258,637	£	15.12.2061		303	0.06
Together Asset Backed Securitisation FRN	890,458	£	12.07.2063		1,043	0.22
Together Asset Backed Securitisation FRN	3,252,510	£	20.01.2067		3,830	0.79
Toronto-Dominion Bank FRN	8,000,000	£	12.06.2028		9,367	1.94
Towd Point Mortgage Funding FRN	2,000,000	£	20.10.2051		2,344	0.48
Tower Bridge Funding FRN	662,294	£	20.11.2063		776	0.16
Tower Bridge Funding FRN	768,831	£	20.12.2063		899	0.19
Tower Bridge Funding FRN	632,029	£	21.07.2064		740	0.15
Tower Bridge Funding FRN	1,328,569	£	20.10.2064		1,563	0.32
TSB Bank FRN	7,000,000	£	14.02.2027		8,211	1.70
Tudor Rose Mortgages FRN	888,665	£	20.06.2048		1,038	0.21
Twin Bridges FRN	1,329,383	£	12.03.2055		1,559	0.32
Twin Bridges FRN	1,005,308	£	12.09.2055		1,174	0.24
Voya Euro CLO III FRN	695,000	€	15.04.2033		690	0.14

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b>					<b>35,530</b>	<b>7.35</b>
France (Republic of) 1.75%	15,000,000	€	25.11.2024		14,823	3.06
LVMH Moët Hennessy Louis Vuitton 3.25%	4,100,000	€	07.09.2029		4,144	0.86
Metropolitan Life Global Funding I 1.625%	3,018,000	£	12.10.2028		3,116	0.64
Metropolitan Life Global Funding I 4.125%	746,000	£	02.09.2025		863	0.18
Nestlé Holdings 2.125%	2,282,000	£	04.04.2027		2,496	0.52
New York Life Global Funding 1.5%	5,850,000	£	15.07.2027		6,228	1.29
Svenska Handelsbanken FRN	4,000,000	US\$	15.06.2026		3,760	0.78
Telereal Securitisation 1.3657%	98,153	£	10.12.2031		100	0.02
<b>'A' credit rated bonds</b>					<b>94,255</b>	<b>19.48</b>
A2D Funding II 4.5%	3,087,400	£	30.09.2026		3,514	0.73
Aena 4.25%	1,000,000	€	13.10.2030		1,049	0.22
ALD 3.875%	1,600,000	€	22.02.2027		1,605	0.33
American Express FRN	4,000,000	US\$	13.02.2026		3,722	0.77
American Honda Finance 0.3%	2,000,000	€	07.07.2028		1,768	0.36
Bank of America FRN	2,143,000	US\$	25.04.2025		1,991	0.41
Bank of America FRN	100,000	US\$	25.04.2025		93	0.02
Bank of America FRN	3,200,000	€	22.09.2026		3,228	0.67
Banque Fédérative du Crédit Mutuel 4.875%	3,000,000	£	25.09.2025		3,491	0.72
BMW International Investment 5.5%	3,300,000	£	06.06.2026		3,922	0.81
Booking Holdings 3.5%	1,950,000	€	01.03.2029		1,967	0.41
Cargill 3.5%	2,322,000	US\$	22.04.2025		2,116	0.44
Comcast 0%	2,942,000	€	14.09.2026		2,711	0.56
Commerzbank FRN	700,000	€	12.03.2027		703	0.14
Coventry Building Society FRN	1,930,000	£	07.11.2027		2,333	0.48
Crédit Agricole FRN	4,000,000	€	11.07.2029		4,099	0.85
EnBW International Finance 3.5%	3,000,000	€	24.07.2028		3,033	0.63
Henkel 1.75%	2,200,000	US\$	17.11.2026		1,872	0.39
HSBC Holdings FRN	5,550,000	US\$	22.11.2027		4,742	0.98
ING Groep FRN	3,000,000	£	30.08.2026		3,493	0.72
John Deere Bank 5.125%	3,153,000	£	18.10.2028		3,782	0.78

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
JPMorgan Chase FRN	3,780,000	US\$	15.10.2025		3,443	0.71
KBC Group FRN	2,300,000	£	21.09.2027		2,454	0.51
Lloyds Banking Group FRN	2,547,000	£	15.01.2026		2,894	0.60
Lloyds Banking Group FRN	1,700,000	US\$	18.03.2026		1,543	0.32
Mercedes-Benz Finance 5.1%	3,500,000	US\$	03.08.2028		3,259	0.67
Morgan Stanley FRN	2,399,000	€	19.03.2027		2,405	0.50
NatWest Markets FRN	1,463,000	US\$	22.03.2025		1,369	0.28
Pfizer Investment Enterprises 4.45%	4,000,000	US\$	19.05.2026		3,670	0.76
Standard Chartered 6.301%	1,225,000	US\$	09.01.2029		1,167	0.24
Swedbank 6.136%	1,089,000	US\$	12.09.2026		1,024	0.21
Toyota Motor Credit 0.75%	1,934,000	£	19.11.2026		2,050	0.42
Toyota Motor Finance 4.625%	2,051,000	£	08.06.2026		2,391	0.49
UBS Group FRN	1,749,000	US\$	09.08.2024		1,622	0.33
UBS Group FRN	4,000,000	£	30.09.2027		4,865	1.01
Volvo Treasury 3.875%	2,302,000	€	29.08.2026		2,323	0.48
Yorkshire Building Society FRN	2,094,000	£	12.09.2027		2,542	0.53
<b>'BBB' credit rated bonds</b>					<b>141,471</b>	<b>29.25</b>
AA Bond 3.25%	500,000	£	31.07.2050		514	0.11
AA Bond 5.5%	4,000,000	£	31.07.2050		4,560	0.94
AerCap Ireland Capital Via AerCap Global Aviation Trust 2.45%	1,609,000	US\$	29.10.2026		1,385	0.29
Amphenol 4.75%	615,000	US\$	30.03.2026		566	0.12
ASR Nederland 3.625%	779,000	€	12.12.2028		780	0.16
Autostrade per l'Italia 4.25%	722,000	€	28.06.2032		725	0.15
Banco Bilbao Vizcaya Argentaria FRN	3,000,000	US\$	14.09.2026		2,787	0.58
Banco de Sabadell FRN	3,100,000	€	08.09.2029		3,265	0.67
Bank of Ireland Group FRN	4,029,000	€	16.07.2028		4,177	0.86
Bank of Ireland Group FRN	444,000	€	13.11.2029		458	0.09
Barclays FRN	3,000,000	US\$	02.11.2026		2,851	0.59
Barclays FRN	576,000	US\$	09.08.2028		533	0.11
Bimbo Bakeries USA 6.05%	3,500,000	US\$	15.01.2029		3,359	0.69

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
BPCE 6.125%	3,700,000	£	24.05.2029		4,445	0.92
CaixaBank FRN	1,400,000	£	06.04.2028		1,554	0.32
CaixaBank FRN	1,510,000	US\$	18.01.2029		1,428	0.29
Celanese US Holdings 6.165%	3,500,000	US\$	15.07.2027		3,307	0.68
Citigroup FRN	3,200,000	US\$	17.03.2026		2,989	0.62
CNH Industrial Capital 3.95%	1,412,000	US\$	23.05.2025		1,286	0.27
Coca-Cola HBC Finance 1%	2,100,000	€	14.05.2027		1,958	0.40
Corning 3.875%	2,880,000	€	15.05.2026		2,886	0.60
Crelan FRN	1,600,000	€	28.02.2030		1,711	0.35
Crelan FRN	1,800,000	€	23.01.2032		1,869	0.39
Deutsche Bank FRN	2,400,000	€	04.04.2030		2,397	0.50
Deutsche Pfandbriefbank 7.625%	4,000,000	£	08.12.2025		4,495	0.93
E.ON 2.875%	1,799,000	€	26.08.2028		1,782	0.37
Électricité de France 3.875%	3,000,000	€	12.01.2027		3,017	0.62
Enel Finance International 6.8%	444,000	US\$	14.10.2025		420	0.09
Eurofins Scientific 4.75%	2,135,000	€	06.09.2030		2,233	0.46
Fiserv 2.25%	863,000	£	01.07.2025		973	0.20
Ford Motor Credit 4.867%	2,378,000	€	03.08.2027		2,448	0.51
Goldman Sachs Group FRN	3,647,000	US\$	24.02.2028		3,397	0.70
Goldman Sachs Group FRN	2,227,000	US\$	15.03.2028		2,111	0.44
Hiscox 6%	1,081,000	£	22.09.2027		1,288	0.27
Hyundai Capital America 6.5%	2,500,000	US\$	16.01.2029		2,433	0.50
IHG Finance 4.375%	1,225,000	€	28.11.2029		1,268	0.26
Informa 3.125%	4,830,000	£	05.07.2026		5,397	1.12
Intesa Sanpaolo 5.25%	4,000,000	€	13.01.2030		4,333	0.90
Kraft Heinz Foods FRN	2,308,000	€	09.05.2025		2,310	0.48
Mexico (United Mexican States) 4.4899%	2,112,000	€	25.05.2032		2,150	0.44
Nationwide Building Society FRN	4,790,000	US\$	16.02.2028		4,436	0.92
NatWest Group FRN	3,000,000	£	19.09.2026		3,383	0.70
NextEra Energy Capital Holdings 5.749%	3,247,000	US\$	01.09.2025		3,024	0.62

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
NextEra Energy Capital Holdings 6.051%	1,428,000	US\$	01.03.2025		1,329	0.27
Pacific Gas and Electric 4.95%	2,042,000	US\$	08.06.2025		1,878	0.39
Pennsylvania Electric 5.15%	582,000	US\$	30.03.2026		535	0.11
Raiffeisen Bank International FRN	1,000,000	€	21.08.2029		998	0.21
RWE 2.75%	4,500,000	€	24.05.2030		4,314	0.89
Telereal Securitisation FRN	2,747,000	£	10.12.2033		2,932	0.61
Tesco FRN	1,680,000	£	05.11.2025		3,997	0.83
T-Mobile 4.95%	4,360,000	US\$	15.03.2028		4,034	0.83
UniCredit FRN	4,425,000	€	14.02.2030		4,623	0.96
Vier Gas Transport 4%	900,000	€	26.09.2027		914	0.19
Vonovia 0.375%	1,400,000	€	16.06.2027		1,260	0.26
Wells Fargo FRN	3,780,000	US\$	30.04.2026		3,377	0.70
Wells Fargo FRN	1,500,000	£	26.04.2028		1,669	0.34
Whitbread Group 3.375%	3,500,000	£	16.10.2025		3,966	0.82
Worldline 4.125%	1,000,000	€	12.09.2028		988	0.20
WPP Finance 3.625%	1,970,000	€	12.09.2029		1,969	0.41
<b>'BB' credit rated bonds</b>						
Marks & Spencer 3.75%	4,250,000	£	19.05.2026		<b>4,804</b>	<b>0.99</b>
<b>Debt derivatives</b>					<b>747</b>	<b>0.16</b>
<b>Credit default swaps</b>					<b>747</b>	<b>0.16</b>
HSBC Holdings Dec 2027	5,000,000	US\$		463,629	(99)	(0.02)
Markit iTraxx Europe Series 38 5 Year Dec 2027	42,300,000	€		42,300	912	0.19
Marks & Spencer Jun 2026	4,800,000	€		480,000	(66)	(0.01)
<b>Currency</b>					<b>(1,019)</b>	<b>(0.21)</b>
<b>Forward currency contracts</b>					<b>(1,019)</b>	<b>(0.21)</b>
Bought for € 229,492,843.41, Sold for £ 196,590,140.88			03.04.2024	229,913	(420)	(0.09)
Bought for € 87,645,522.84, Sold for US\$ 95,200,163.74			03.04.2024	88,275	(630)	(0.13)
Bought for £ 4,525,649.82, Sold for € 5,262,247.06			03.04.2024	5,293	31	0.01
<b>Portfolio of investments</b>					<b>458,559</b>	<b>94.80</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Cash equivalents</b>					<b>16,073</b>	<b>3.32</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – Euro Liquidity Fund Class 'D' (Distribution)	16,073,395	€			<b>16,073</b>	<b>3.32</b>
<b>Share class hedging</b>					<b>108</b>	<b>0.03</b>
Bought for CHF 3,234,548.19, Sold for € 3,333,066.98			24.04.2024	3,311	(16)	0.00
Bought for € 66,021.07, Sold for CHF 64,064.20			24.04.2024	65	0	0.00
Bought for € 159.88, Sold for £ 137.11			24.04.2024	0	0	0.00
Bought for € 13,967.53, Sold for US\$ 15,141.51			24.04.2024	14	0	0.00
Bought for £ 135,185.75, Sold for € 157,593.13			24.04.2024	158	0	0.00
Bought for US\$ 30,140,478.21, Sold for € 27,800,843.62			24.04.2024	27,949	124	0.03
<b>Total portfolio</b>					<b>474,740</b>	<b>98.15</b>
Net other assets/(liabilities)					8,996	1.85
<b>Net assets</b>					<b>483,736</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					458,831	94.85
Swap contracts					912	0.19
Unrealised gains on forward currency contracts					155	0.04
<b>Total Investment assets</b>					<b>459,898</b>	<b>95.08</b>
<b>Investment liabilities</b>						
Swap contracts					(165)	(0.03)
Unrealised losses on forward currency contracts					(1,066)	(0.22)
<b>Total Investment liabilities</b>					<b>(1,231)</b>	<b>(0.25)</b>
<b>Total portfolio</b>					<b>458,667</b>	<b>94.83</b>
<b>Cash equivalents</b>					<b>16,073</b>	<b>3.32</b>
<b>Net other assets/(liabilities)</b>					<b>8,996</b>	<b>1.85</b>
<b>Net assets</b>					<b>483,736</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

The accompanying notes to the financial statements are an integral part of these financial statements.



# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps €'000	Forward currency contracts €'000	Collateral held as cash €'000	Collateral held as security €'000
Barclays Bank London	281	0	3,290	0
Citigroup Global Markets Limited	0	31	0	0
HSBC Bank Plc	0	0	0	337
Merrill Lynch Pierce Fenner + Smith Inc	0	11	0	0
State Street Bank and Trust Company	0	124	0	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's sub-fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>Euro</b>						
Class 'A' Accumulation	+5.2	+0.8	+1.1	+1.0	26.07.13	26.10.18
Class 'A' Distribution	+5.1	+0.8	+1.1	+1.0	26.07.13	26.10.18
Class 'C' Accumulation	+5.3	+1.0	+1.3	+1.4	26.07.13	26.10.18
Class 'C' Distribution	+5.3	+1.0	+1.3	+1.4	26.07.13	26.10.18
Class 'CI' Accumulation	+5.4	+1.0	+1.4	+1.4	26.07.13	06.11.18
<b>Sterling</b>						
Class 'C-H' Accumulation	n/a	n/a	n/a	+2.8 <sup>b</sup>	n/a	21.11.23
Class 'C-H' Distribution	n/a	n/a	n/a	+2.9 <sup>b</sup>	n/a	21.11.23
Class 'CI-H' Accumulation	n/a	n/a	n/a	+2.9 <sup>b</sup>	n/a	21.11.23
Class 'CI-H' Distribution	n/a	n/a	n/a	+2.9 <sup>b</sup>	n/a	21.11.23
<b>Swiss franc</b>						
Class 'A-H' Accumulation	+2.8	-0.3	+0.3	+0.4	26.07.13	26.10.18
Class 'C-H' Accumulation	+3.0	-0.1	+0.6	+0.8	26.07.13	26.10.18

## Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch <sup>a</sup> % pa	Launch date of the OEIC merged share class	Launch date of the sub-fund share class
<b>US dollar</b>						
Class 'A-H' Accumulation	+7.0	+2.6	+2.9	+2.6	26.07.13	26.10.18
Class 'A-H' Distribution	+7.0	+2.6	+2.9	+2.6	08.08.14	26.10.18
Class 'C-H' Accumulation	+7.2	+2.7	+3.2	+3.0	26.07.13	26.10.18
Class 'C-H' Distribution	+7.2	+2.7	+3.2	+2.9	08.08.14	26.10.18

<sup>a</sup> Sub-fund performance before the launch of the sub-fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Short Dated Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Short Dated Corporate Bond Fund is a UK authorised sub-fund which launched on 29 January 1993 and its non-Sterling share classes merged into M&G (Lux) Short Dated Corporate Bond Fund on 26 October 2018.

<sup>b</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	9,446,790.543	11.1039	10.5599	10.7050	0.48
Class 'A' Distribution	1,233,660.984	9.2279	9.1351	9.3982	0.48
Class 'C' Accumulation	2,023,414.975	11.5588	10.9750	11.1089	0.32
Class 'C' Distribution	498,077.613	9.4556	9.3467	9.6010	0.36
Class 'CI' Accumulation	28,565,629.729	10.7767	10.2290	10.3498	0.28
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	2,000.000	10.2845	n/a	n/a	0.35
Class 'C-H' Distribution	2,001.000	10.2340	n/a	n/a	0.35
Class 'CI-H' Accumulation	4,600.000	10.2867	n/a	n/a	0.31
Class 'CI-H' Distribution	4,601.000	10.2360	n/a	n/a	0.31
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,336.176	10.4173	10.1290	10.3425	0.48
Class 'C-H' Accumulation	290,337.000	10.8610	10.5407	10.7490	0.34
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A-H' Accumulation	1,603,506.320	13.1043	12.2439	12.0964	0.49
Class 'A-H' Distribution	119,942.063	11.0719	10.7669	10.7927	0.49
Class 'C-H' Accumulation	580,495.000	13.6808	12.7649	12.6046	0.34
Class 'C-H' Distribution	2,266.225	11.3712	11.0352	11.0525	0.33

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	483,736	423,137	323,988
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>483,736</b>	<b>423,137</b>	<b>323,988</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Most markets posted positive returns in the year ending 31 March 2024, with equities proving a standout performer. Core government bonds were one notable exception, seeing declines over the period. Early in the year, deteriorating global business confidence and sticky core inflation kept uncertainty elevated. Later on, fears of imminent policy tightening dissipated as investors seized on slower US payroll growth and larger-than-expected falls in inflation, helping most risk markets to finish 2023 on a high note.

Investors scaled back their interest rate cut expectations in January following the release of encouraging economic data in the US and a pick-up in inflation in the eurozone and UK. Signs emerged that equity/bond price behaviour has finally decoupled, as major equity indices continued to be resilient despite ongoing interest rate pressure. The optimism returned in March, as the US Federal Reserve (Fed) signalled its intention to make multiple interest rate cuts this year.

Against this backdrop, the sub-fund posted positive returns over the period, with gains driven by our allocation to equities. Over the 12 months, the sub-fund's volatility declined compared to the previous year but tracked higher than expectations over three and five years, reflecting the volatility seen in the markets over the period. Over the past three years, annualised volatility was 9.26% (Euro Class 'A' Accumulation shares). Over five years annualised it was 10.34% versus expected volatility of 4-9%.

Within equities, holdings of US and European shares contributed the most. In the US, tech equities drove performance, buoyed by excitement surrounding the emergence of AI opportunities in the sector. There were also notable contributions from our 'positive impact' equity investments, supported by the prospect of easing financing costs.

The sub-fund's bond investments proved marginally detrimental in aggregate. We made losses on US Treasuries as yields widened (prices fell) amid the Fed's

rate increases. Conversely, our holdings in German bunds and UK gilts added value. Corporate bond investments made fractional losses, with gains in Europe and emerging markets not fully offsetting negative contributions from the US. Lastly, the sub-fund's holdings in Colombian sovereign green bonds provided a material contribution over the period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

In April, we initiated new positions in sovereign green bonds from the UK, Italy and Germany as yields stabilised following the US bank turmoil in March. At the same time, we reduced equity risk by switching into some lower beta names. In June, we removed an overweight exposure to Japanese equities while taking some profits in Colombian green sovereign bonds.

Despite our cautious positioning, we remained fully invested and thus able to participate in November's rally. In the bond space, we reduced exposure towards long-dated US paper in favour of a more balanced exposure across the yield curve and across countries.

In January, we scaled up our allocation to Hong Kong and China equities having closely watched the growing levels of pessimism in the asset class. We also seized a valuation opportunity to add new positive impact names, including EDP Renovaveis, Enphase and Vestas.

In March, we further reduced our holdings of US Treasuries and emerging markets sovereign bonds in favour of German bunds, while using excess cash to increase the overall US dollar exposure. We also recalibrated our positive impact equity holdings to bring the portfolio's exposure up to date with the latest recommendations from the impact investing team.

### Outlook

Market volatility is likely to persist in the months ahead, given the recent resilience of US macroeconomic data and its potential to put pressure on inflation and interest rate expectations.

# Investment review

Nevertheless, we remain constructive on US Treasuries. We believe that 2024 might bring about potentially more conducive conditions for short-term spikes in US yields – and likely therefore in other government bonds as well – which could present us with investment opportunities to purchase these assets and increase our holdings at potentially attractive levels.

As usual, we expect that keeping things in perspective and exercising judgment will once again be key to successfully managing the portfolio through periods of high volatility.

## **Maria Municchi**

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>162,487</b>	<b>46.17</b>
<b>United Kingdom</b>					<b>16,996</b>	<b>4.83</b>
DS Smith	561,376	£			2,598	0.74
Greencoat UK Wind	3,202,364	£			5,189	1.47
Home REIT <sup>a</sup>	8,072,806	£			1,341	0.38
Marks & Spencer Group	611,795	£			1,892	0.54
Octopus Renewables Infrastructure Trust	5,313,340	£			4,455	1.27
WPP	173,656	£			1,521	0.43
<b>Denmark</b>					<b>7,105</b>	<b>2.02</b>
ALK-Abello	101,104	DKK			1,678	0.48
Novo Nordisk 'B'	17,095	DKK			2,026	0.58
Ørsted	35,720	DKK			1,844	0.52
Vestas Wind Systems	60,417	DKK			1,557	0.44
<b>France</b>					<b>8,902</b>	<b>2.53</b>
Capgemini	11,335	€			2,423	0.69
Danone	38,997	€			2,333	0.66
L'Oreal	4,003	€			1,754	0.50
Schneider Electric	11,394	€			2,392	0.68
<b>Germany</b>					<b>7,781</b>	<b>2.21</b>
Fresenius Medical Care	47,869	€			1,713	0.49
Mercedes-Benz Group	26,568	€			1,963	0.56
Münchener Rückversicherungs-Gesellschaft	4,697	€			2,120	0.60
SAP	10,949	€			1,985	0.56
<b>Guernsey</b>						
Renewables Infrastructure Group	4,254,488	£			<b>4,996</b>	<b>1.42</b>
<b>Ireland</b>					<b>7,167</b>	<b>2.04</b>
Greencoat Renewables	5,711,683	€			4,975	1.42
Johnson Controls International	36,454	US\$			2,192	0.62
<b>Italy</b>					<b>3,962</b>	<b>1.12</b>
Assicurazioni Generali	90,346	€			2,133	0.60
Terna – Rete Elettrica Nazionale	237,680	€			1,829	0.52
<b>Netherlands (The)</b>						
ING Groep	145,334	€			<b>2,209</b>	<b>0.63</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Spain</b>					<b>6,795</b>	<b>1.93</b>
Amadeus IT Group	28,754	€			1,725	0.49
EDP Renovaveis	143,792	€			1,816	0.52
Telefónica	790,731	€			3,254	0.92
<b>United States</b>					<b>52,668</b>	<b>14.96</b>
Agilent Technologies	15,345	US\$			2,098	0.60
Alphabet 'A'	21,507	US\$			3,010	0.86
American Express	11,252	US\$			2,374	0.67
AMERISAFE	15,067	US\$			693	0.20
Ansys	7,275	US\$			2,345	0.67
Apple	12,736	US\$			2,040	0.58
Autodesk	2,970	US\$			719	0.20
Ball	39,048	US\$			2,436	0.69
Bank of New York Mellon	57,198	US\$			3,018	0.86
Becton Dickinson	3,167	US\$			705	0.20
Bright Horizons Family Solutions	16,683	US\$			1,744	0.50
Cisco Systems Delaware	47,337	US\$			2,184	0.62
eBay	14,683	US\$			707	0.20
Enphase Energy	18,066	US\$			2,002	0.57
Hannon Armstrong Sustainable Infrastructure Capital	88,869	US\$			2,306	0.66
Illumina	13,490	US\$			1,730	0.49
Intel	49,037	US\$			1,980	0.56
Lam Research	2,369	US\$			2,112	0.60
Microsoft	6,589	US\$			2,575	0.73
ON Semiconductor	10,277	US\$			718	0.20
PNC Financial Services Group	15,659	US\$			2,322	0.66
Quest Diagnostics	17,966	US\$			2,182	0.62
Republic Services	12,046	US\$			2,139	0.61
Thermo Fisher Scientific	1,306	US\$			699	0.20
UnitedHealth Group	5,040	US\$			2,304	0.65
Verizon Communications	45,941	US\$			1,773	0.50
Visa 'A'	7,508	US\$			1,943	0.55

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
Xylem	15,091	US\$			1,810	0.51
<b>Canada</b>						
Boralex 'A'	102,240	CA\$			<b>1,983</b>	<b>0.56</b>
<b>Brazil</b>						
AES Brasil Energia	698,696	BRL			<b>1,326</b>	<b>0.38</b>
<b>Japan</b>						
Dai-ichi Life Holdings	57,100	¥			1,349	0.38
Hitachi	15,900	¥			1,342	0.38
Horiba	20,600	¥			1,973	0.56
Katitas	142,700	¥			1,722	0.49
Panasonic Holdings	115,342	¥			1,016	0.29
Sony Group	12,300	¥			975	0.28
Takeda Pharmaceutical	42,300	¥			1,090	0.31
<b>Australia</b>						
Brambles	229,595	AU\$			2,232	0.63
Cochlear	8,851	AU\$			1,798	0.51
<b>China</b>						
Lenovo Group	1,618,000	HK\$			1,738	0.50
Ping An Insurance Group of China 'H'	534,000	HK\$			2,088	0.59
<b>Hong Kong</b>						
AIA Group	376,800	HK\$			2,344	0.67
Hong Kong Exchanges & Clearing	73,600	HK\$			1,984	0.56
Swire Properties	1,046,600	HK\$			2,037	0.58
<b>Indonesia</b>						
Bank Rakyat Indonesia	3,985,800	IDR			<b>1,413</b>	<b>0.40</b>
<b>India</b>						
HDFC Bank ADR	34,377	US\$			<b>1,780</b>	<b>0.51</b>
<b>South Korea</b>						
Samsung Electronics	35,270	KRW			<b>1,964</b>	<b>0.56</b>
<b>Taiwan</b>						
ASE Technology Holding	472,000	TW\$			2,116	0.60

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Taiwan (continued)</b>						
Cathay Financial Holding	1,460,854	TW\$			2,040	0.58
E.Sun Financial Holding	3,084,821	TW\$			2,425	0.69
Taiwan Semiconductor Manufacturing	106,000	TW\$			2,363	0.67
<b>Georgia</b>						
Bank of Georgia Group	36,503	£			<b>2,143</b>	<b>0.61</b>
<b>Israel</b>						
SolarEdge Technologies	10,315	US\$			<b>665</b>	<b>0.19</b>
<b>Fixed income</b>					<b>182,979</b>	<b>51.99</b>
<b>Supranational</b>					<b>49,293</b>	<b>14.01</b>
<b>Investment grade corporate bonds</b>					<b>49,293</b>	<b>14.01</b>
European Bank for Reconstruction & Development 4.25%	63,990,000,000	IDR	07.02.2028		3,517	1.00
European Investment Bank 0%	131,030,000	ZAR	18.10.2032		2,725	0.77
European Investment Bank 3.75%	10,591,000	US\$	14.02.2033		9,407	2.67
Inter-American Development Bank 4.375%	10,721,000	US\$	24.01.2044		9,487	2.70
Inter-American Development Bank 5.1%	30,060,000,000	IDR	17.11.2026		1,719	0.49
International Bank for Reconstruction & Development 0%	21,980,000	ZAR	29.12.2028		702	0.20
International Bank for Reconstruction & Development 0.75%	10,529,000	US\$	26.08.2030		7,809	2.22
International Bank for Reconstruction & Development 4.25%	107,240,000	MXN	22.01.2026		5,443	1.55
International Bank for Reconstruction & Development 5%	29,480,000	BRL	22.01.2026		5,157	1.46
International Bank for Reconstruction & Development 6.85%	300,000,000	INR	24.04.2028		3,327	0.95
<b>United Kingdom</b>					<b>17,740</b>	<b>5.04</b>
<b>Government bonds</b>					<b>15,893</b>	<b>4.52</b>
UK Gilt 0.875%	12,220,427	£	31.07.2033		10,926	3.11
UK Gilt 1.5%	8,088,284	£	31.07.2053		4,967	1.41
<b>Below investment grade corporate bonds</b>						
Vodafone Group 0.9%	1,958,000	€	24.11.2026		<b>1,847</b>	<b>0.52</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Belgium</b>						
<b>Investment grade corporate bonds</b>						
KBC Group FRN	2,000,000	€	01.03.2027		<b>1,879</b>	<b>0.53</b>
<b>France</b>					<b>5,515</b>	<b>1.57</b>
<b>Investment grade corporate bonds</b>						
Société Générale FRN	2,000,000	€	22.09.2028		<b>1,815</b>	<b>0.52</b>
<b>Below investment grade corporate bonds</b>					<b>3,700</b>	<b>1.05</b>
Renault 1%	1,939,000	€	28.11.2025		1,857	0.53
Unibail-Rodamco-Westfield 1%	1,894,000	€	14.03.2025		1,843	0.52
<b>Germany</b>					<b>69,926</b>	<b>19.87</b>
<b>Government bonds</b>					<b>65,114</b>	<b>18.50</b>
Germany (Federal Republic of) 0%	28,414,000	€	21.08.2024		28,018	7.96
Germany (Federal Republic of) 0%	9,263,845	€	18.09.2024		9,111	2.59
Germany (Federal Republic of) 0%	10,412,379	€	15.08.2030		9,050	2.57
Germany (Federal Republic of) 1.8%	9,469,000	€	15.08.2053		8,174	2.32
Germany (Federal Republic of) 2.3%	10,736,000	€	15.02.2033		10,761	3.06
<b>Investment grade corporate bonds</b>					<b>3,707</b>	<b>1.05</b>
Kreditanstalt für Wiederaufbau 0%	1,042,000	€	15.09.2028		925	0.26
Kreditanstalt für Wiederaufbau 0.01%	1,005,000	€	05.05.2027		923	0.26
Mercedes-Benz Group 0.75%	1,074,000	€	10.09.2030		934	0.27
Mercedes-Benz Group 0.75%	1,140,000	€	11.03.2033		925	0.26
<b>Below investment grade corporate bonds</b>						
ZF Finance 2.25%	1,200,000	€	03.05.2028		<b>1,105</b>	<b>0.32</b>
<b>Ireland</b>						
<b>Below investment grade corporate bonds</b>						
Sovcombank Via SovCom Capital FRN <sup>ab</sup>	200,000	US\$	07.04.2030		<b>0</b>	<b>0.00</b>
<b>Italy</b>					<b>3,707</b>	<b>1.05</b>
<b>Government bonds</b>						
Italy (Republic of) 4%	1,825,000	€	30.04.2035		<b>1,875</b>	<b>0.53</b>
<b>Below investment grade corporate bonds</b>						
Intesa Sanpaolo 4.75%	1,777,000	€	06.09.2027		<b>1,832</b>	<b>0.52</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Luxembourg</b>						
<b>Corporate bonds with no credit rating</b>						
ALROSA Finance 3.1% <sup>ab</sup>	200,000	US\$	25.06.2027		0	0.00
<b>Netherlands (The)</b>					<b>2,822</b>	<b>0.80</b>
<b>Investment grade corporate bonds</b>						
ING Groep 2.5%	2,000,000	€	15.11.2030		1,894	0.54
<b>Below investment grade corporate bonds</b>						
EDP Finance 0.375%	998,000	€	16.09.2026		928	0.26
<b>Portugal</b>						
<b>Below investment grade corporate bonds</b>						
EDP – Energias de Portugal 1.625%	1,000,000	€	15.04.2027		950	0.27
<b>Sweden</b>					<b>4,079</b>	<b>1.16</b>
<b>Investment grade corporate bonds</b>						
Swedbank FRN	2,008,000	€	20.05.2027		1,869	0.53
<b>Below investment grade corporate bonds</b>					<b>2,210</b>	<b>0.63</b>
Volvo Car 2.5%	1,172,000	€	07.10.2027		1,117	0.32
Volvo Car 4.25%	1,085,000	€	31.05.2028		1,093	0.31
<b>United States</b>					<b>11,685</b>	<b>3.32</b>
<b>Investment grade corporate bonds</b>					<b>4,442</b>	<b>1.26</b>
Apple 0%	1,368,000	€	15.11.2025		1,298	0.37
Apple 3%	1,460,000	US\$	20.06.2027		1,291	0.37
Prologis 1.25%	2,493,000	US\$	15.10.2030		1,853	0.52
<b>Below investment grade corporate bonds</b>					<b>7,215</b>	<b>2.05</b>
Ball 2.875%	937,000	US\$	15.08.2030		742	0.21
Ball 3.125%	1,410,000	US\$	15.09.2031		1,112	0.32
Boston Properties 2.55%	1,256,000	US\$	01.04.2032		921	0.26
Boston Properties 4.5%	1,047,000	US\$	01.12.2028		925	0.26
DaVita 3.75%	965,000	US\$	15.02.2031		750	0.21
DaVita 4.625%	909,000	US\$	01.06.2030		751	0.22
Xylem 1.95%	1,104,000	US\$	30.01.2028		920	0.26
Xylem 2.25%	1,400,000	US\$	30.01.2031		1,094	0.31

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>United States (continued)</b>						
<b>Interest rate futures</b>					<b>28</b>	<b>0.01</b>
US Treasury Notes 10 year Futures	85	US\$	18.06.2024	79	10	0.00
US Ultra Bond Futures	46	US\$	18.06.2024	46	18	0.01
<b>Chile</b>					<b>10,314</b>	<b>2.93</b>
<b>Government bonds</b>					<b>10,314</b>	<b>2.93</b>
Chile (Republic of) 1.25%	5,357,000	€	29.01.2040		3,716	1.06
Chile (Republic of) 5%	7,190,000,000	CLP	01.10.2028		6,598	1.87
<b>Colombia</b>						
<b>Government bonds</b>						
Colombia (Republic of) 7%	15,927,400,000	COP	26.03.2031		<b>3,322</b>	<b>0.94</b>
<b>Mexico</b>						
<b>Government bonds</b>						
Mexico (United Mexican States) 8%	34,210,000	MXN	24.05.2035		<b>1,747</b>	<b>0.50</b>
<b>Currency</b>					<b>(95)</b>	<b>(0.04)</b>
<b>Forward currency contracts</b>					<b>(95)</b>	<b>(0.04)</b>
Bought for DKK 14,713,983.37, Sold for € 1,973,646.06			30.04.2024	1,973	0	0.00
Bought for € 4,189,803.95, Sold for AU\$ 6,886,356.33			30.04.2024	4,144	47	0.01
Bought for € 2,027,990.33, Sold for CA\$ 2,957,177.17			30.04.2024	2,017	13	0.00
Bought for € 9,136,282.46, Sold for DKK 68,035,314.48			30.04.2024	9,123	11	0.00
Bought for € 33,868,604.70, Sold for £ 28,949,711.44			30.04.2024	33,857	44	0.01
Bought for € 11,133,817.53, Sold for HK\$ 94,368,934.72			30.04.2024	11,183	(47)	(0.01)
Bought for € 83,228,992.18, Sold for US\$ 90,431,879.28			30.04.2024	83,853	(534)	(0.15)
Bought for £ 1,045,452.52, Sold for € 1,220,588.26			30.04.2024	1,223	1	0.00
Bought for HK\$ 6,557,528.22, Sold for € 774,303.49			30.04.2024	777	3	0.00
Bought for US\$ 16,139,170.53, Sold for € 14,863,426.72			30.04.2024	14,965	85	0.02
Bought for US\$ 9,296,593.99, Sold for TW\$ 287,571,542.00			30.04.2024	16,952	282	0.08
<b>Portfolio of investments</b>					<b>345,371</b>	<b>98.12</b>
<b>Share class hedging</b>					<b>25</b>	<b>0.01</b>
Bought for CHF 354,601.18, Sold for € 365,401.73			24.04.2024	362	(2)	0.00
Bought for € 7,281.60, Sold for CHF 7,065.77			24.04.2024	8	0	0.00
Bought for € 206.63, Sold for £ 177.21			24.04.2024	0	0	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Share class hedging (continued)</b>						
Bought for € 50,393.74, Sold for US\$ 54,569.26			24.04.2024	51	0	0.00
Bought for £ 167,960.29, Sold for € 195,800.13			24.04.2024	196	1	0.00
Bought for SG\$ 160,798.49, Sold for € 110,372.22			24.04.2024	111	0	0.00
Bought for US\$ 6,145,411.39, Sold for € 5,667,452.28			24.04.2024	5,698	26	0.01
<b>Total portfolio</b>					<b>345,396</b>	<b>98.13</b>
Net other assets/(liabilities)					6,547	1.87
<b>Net assets</b>					<b>351,943</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value €'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Equity securities					152,302	43.28
Equity portfolios					10,185	2.89
Debt securities					182,951	51.98
Unrealised gains on futures contracts					28	0.01
Unrealised gains on forward currency contracts					513	0.13
<b>Total Investment assets</b>					<b>345,979</b>	<b>98.29</b>
<b>Investment liabilities</b>						
Unrealised losses on forward currency contracts					(583)	(0.16)
<b>Total Investment liabilities</b>					<b>(583)</b>	<b>(0.16)</b>
<b>Total portfolio</b>					<b>345,396</b>	<b>98.13</b>
<b>Net other assets/(liabilities)</b>					<b>6,547</b>	<b>1.87</b>
<b>Net assets</b>					<b>351,943</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> As part of the sub-fund merger between the M&G (Lux) Sustainable Allocation Fund and M&G (Lux) Conservative Allocation Fund on 21 October 2022, two sanctioned Russian-listed securities were transferred into the beneficial ownership of the M&G (Lux) Sustainable Allocation Fund. As both sub-funds have been prohibited from selling these assets, they have remained in a custody account of M&G (Lux) Conservative Allocation Fund.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

The accompanying notes to the financial statements are an integral part of these financial statements.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	28
Barclays Bank London	327	0
HSBC Bank Plc	13	0
JPMorgan London	11	0
State Street Bank and Trust Company	27	0
State Street Bank and Trust Company, London Branch	141	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+4.3	-0.3	+2.1	+2.5	04.12.18
Class 'A' Distribution	+4.3	-0.3	+2.1	+2.5	04.12.18
Class 'B' Accumulation	+3.8	-0.8	+1.6	+2.0	04.12.18
Class 'B' Distribution	+3.8	-0.8	+1.6	+2.0	04.12.18
Class 'C' Accumulation	+5.2	+0.6	+3.0	+3.4	04.12.18
Class 'C' Distribution	+5.2	+0.6	+3.1	+3.4	04.12.18
Class 'CI' Accumulation	+5.3	+0.6	+3.1	+3.5	04.12.18
Class 'CI' Distribution	+5.3	+0.6	+3.1	+3.5	04.12.18
Class 'JI' Accumulation	+5.4	n/a	n/a	+4.8	16.06.22
Class 'L' Accumulation	+5.5	+0.9	+3.3	+3.7	04.12.18
Class 'LI' Accumulation	+5.5	+0.9	+3.4	+3.7	04.12.18
Class 'Z' Accumulation	+5.9	+1.2	+3.7	+4.0	04.12.18
Class 'ZI' Accumulation	+5.9	+1.2	+3.7	+4.1	04.12.18
<b>Singapore dollar</b>					
Class 'A-H' Accumulation	+4.6	+0.9	+3.4	+3.8	04.12.18
Class 'A-H' Distribution	+4.5	+0.9	+3.4	+3.8	04.12.18
Class 'A-H M' Distribution	n/a	n/a	n/a	+4.0 <sup>a</sup>	30.05.23
Class 'C-H' Accumulation	+5.5	+1.8	+4.3	+4.7	04.12.18
Class 'C-H' Distribution	+5.5	+1.8	+4.3	+4.8	04.12.18
Class 'L-H' Accumulation	+5.7	+2.0	+4.5	+5.0	04.12.18
<b>Sterling</b>					
Class 'C-H' Accumulation	+6.5	+1.7	+4.0	+4.3	04.12.18
Class 'L-H' Accumulation	+6.8	+2.0	+4.2	+4.6	04.12.18



# Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Swiss franc</b>					
Class 'A-H' Accumulation	+2.1	-1.4	+1.4	+1.7	04.12.18
Class 'A-H' Distribution	+2.1	-1.3	+1.4	+1.8	04.12.18
Class 'C-H' Accumulation	+3.0	-0.5	+2.3	+2.7	04.12.18
Class 'C-H' Distribution	+3.1	-0.4	+2.3	+2.7	04.12.18
<b>US dollar</b>					
Class 'A-H' Accumulation	+6.3	+1.7	+4.1	+4.5	04.12.18
Class 'A-H' Distribution	+6.3	+1.7	+4.1	+4.5	04.12.18
Class 'A-H M' Distribution	n/a	n/a	n/a	+5.4 <sup>a</sup>	30.05.23
Class 'C-H' Accumulation	+7.3	+2.6	+5.1	+5.5	04.12.18
Class 'C-H' Distribution	+7.2	+2.6	+5.1	+5.5	04.12.18
Class 'CI-H' Accumulation	+7.2	+2.6	+5.0	+5.5	04.12.18
Class 'L-H' Accumulation	+7.4	+2.8	+5.3	+5.7	04.12.18

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	18,933,082.953	11.3994	10.9300	12.0233	1.79
Class 'A' Distribution	2,714,962.749	9.7262	9.7243	11.0493	1.79
Class 'B' Accumulation	3,854,531.749	11.0998	10.6956	11.8244	2.29
Class 'B' Distribution	1,347,958.453	9.4717	9.5173	10.8687	2.29
Class 'C' Accumulation	1,880,220.755	11.9574	11.3624	12.3876	0.88
Class 'C' Distribution	260,045.155	10.2085	10.1152	11.3902	0.89
Class 'CI' Accumulation	1,825,255.930	11.9863	11.3860	12.4078	0.85
Class 'CI' Distribution	4,600.000	10.2311	10.1332	11.4051	0.86
Class 'JI' Accumulation	4,600.024	10.8668	10.3125	n/a	0.75
Class 'L' Accumulation	47,774.426	12.1179	11.4866	12.4903	0.64
Class 'LI' Accumulation	4,600.000	12.1414	11.5051	12.5060	0.58
Class 'Z' Accumulation	1,000.000	12.3506	11.6668	12.6432	0.30
Class 'ZI' Accumulation	4,600.000	12.3746	11.6851	12.6571	0.26
<b>Singapore dollar</b>		SG\$	SG\$	SG\$	
Class 'A-H' Accumulation	2,400.000	12.2111	11.6770	12.5428	1.80
Class 'A-H' Distribution	2,400.000	10.3690	10.3427	11.4822	1.81
Class 'A-H M' Distribution	2,000.000	10.0943	n/a	n/a	1.83
Class 'C-H' Accumulation	2,400.000	12.7891	12.1266	12.9224	0.90
Class 'C-H' Distribution	2,400.000	10.8858	10.7576	11.8299	0.90
Class 'L-H' Accumulation	2,400.000	12.9552	12.2561	13.0298	0.66
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	11,020.000	12.5366	11.7701	12.6521	0.91
Class 'L-H' Accumulation	2,400.000	12.7022	11.8972	12.7585	0.67

# Financial highlights

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	
Class 'A-H' Accumulation	11,364.751	10.9671	10.7450	11.9187	1.81
Class 'A-H' Distribution	2,400.000	9.3799	9.5840	10.9679	1.80
Class 'C-H' Accumulation	15,663.566	11.5131	11.1754	12.2841	0.91
Class 'C-H' Distribution	2,400.000	9.8374	9.9587	11.2942	0.90
<b>US dollar</b>		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
Class 'A-H' Accumulation	421,969.497	12.6627	11.9123	12.7036	1.81
Class 'A-H' Distribution	40,369.312	10.7742	10.5655	11.6254	1.81
Class 'A-H M' Distribution	2,001.000	10.2359	n/a	n/a	1.82
Class 'C-H' Accumulation	15,093.704	13.3051	12.4005	13.0964	0.91
Class 'C-H' Distribution	2,400.000	11.3192	11.0003	11.9950	0.90
Class 'CI-H' Accumulation	4,600.000	13.3045	12.4097	13.1110	0.88
Class 'L-H' Accumulation	2,400.000	13.4481	12.5169	13.2017	0.66

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	351,943	530,301	72,459
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>351,943</b>	<b>530,301</b>	<b>72,459</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Emerging market (EM) debt posted solid returns during the review period, largely due to a powerful year-end rally in the fourth quarter of 2023 amid market expectations of interest rate cuts in developed markets (DM).

EMs, however, continue to be ahead of DM central banks in terms of their monetary easing cycle. After raising their interest rates early to combat inflation, well ahead of their DM peers, EMs have embarked on reducing interest rates, and in some cases, quite aggressively.

Despite markets repricing lower the prospect of rate cuts in 2024 of late, EM debt, notably the hard currency (HC) segment, recovered amid a broad risk-on environment. High yield (HY) bonds, those rated below investment grade (IG) as they are considered to be riskier, outperformed IG markets.

Against this backdrop, the sub-fund delivered a positive total return (the combination of capital growth and income) and was behind the JPM CEMBI Broad Diversified Index across its euro and US dollar share classes, but ahead in its sterling share classes, in the period under review. The index returned 9.82% in euros, 9.17% in US dollars and 6.85% in sterling over the period.

At the country level, our holdings in Mexico added the most value due to our above-benchmark positioning and strong security selection. In contrast, our underweight in Macau detracted the most.

At the sector level, the sub-fund's overweights and security selection in banking and technology (including electronics) contributed positively. On the other hand, underweights in energy, leisure and basic industry weighed on performance, though our choices in these sectors partially outweighed the deduction from sector allocation.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

In the primary market, we participated in new banking issues including those from Mauritius Commercial Bank, Abu Dhabi Commercial Bank, as well as quasi-sovereign banks, First Abu Dhabi Bank and Hungary's OTP Bank. In September, we moved from an underweight to a neutral position in Turkey, following a return to more orthodox monetary policy by the Turkish Central Bank, by participating in new issues from the banking sector such as Yapı Kredi and The Industrial Development Bank of Turkey. In addition, we bought new bonds from other sectors including household appliances company Arçelik and WE Soda, a leading producer of natural soda ash.

We also increased our exposure to Chilean telecommunications firm VTR and French mining company Eramet, among others. Towards the end of the year, we rebalanced the sub-fund's positioning towards HY bonds by reducing a number of high-quality names such as Taiwanese semiconductor firm TSMC and mining company Anglo American.

We exited DME Airport and Celara following good performance. On the other hand, we reduced, or exited, several positions over valuation concerns such as Cemex, Woori Bank and Česká spořitelna, one of the biggest banks in the Czech Republic. In India, we reduced our large above-benchmark exposure to renewables by selling some names such as ReNew.

### Outlook

Despite some uncertainty over geopolitical risk, we feel the broader picture is still favourable for EMs in 2024. Economies have been surprisingly resilient: first adapting to high inflation post-COVID and then to higher interest rates.

With the Federal Reserve expected to cut interest rates in 2024, despite US inflation appearing stickier than expected, we believe there is cause for optimism in EM

## Investment review

debt, provided the US dollar does not strengthen any further and risk aversion remains subdued.

In terms of EM corporate debt, we believe that corporate fundamentals are in a good state. EM companies have much less debt, and leverage, than their DM counterparts across both the IG and HY segments. This resilience has helped EM corporates, with expected defaults now behind the highs of 2022 and 2023, and with much of the significant idiosyncratic stories ie Russia, Ukraine, China Real Estate now settling.

While the double-digit returns we saw in 2023 may not be replicated again, EM debt still offers compelling opportunities, in our view, especially for investors facing reinvestment risk from short-dated bonds.

### **Charles de Quinsonas and Nick Smallwood**

Co-sub-fund managers

On 1 March 2024 Nick Smallwood was appointed co-sub-fund manager.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>37,431</b>	<b>98.31</b>
<b>Debt securities</b>					<b>37,431</b>	<b>98.31</b>
<b>'AAA' credit rated bonds</b>					<b>178</b>	<b>0.47</b>
European Bank for Reconstruction & Development 6.3%	6,000,000	INR	26.10.2027		70	0.19
International Bank for Reconstruction & Development 6.85%	9,000,000	INR	24.04.2028		108	0.28
<b>'AA' credit rated bonds</b>					<b>2,701</b>	<b>7.09</b>
Kodit Global 4.954%	200,000	US\$	25.05.2026		198	0.52
Korea Expressway FRN	200,000	US\$	10.07.2028		203	0.53
TSMC Global 2.25%	700,000	US\$	23.04.2031		593	1.56
US Treasury Note 4.375%	1,700,000	US\$	31.08.2028		1,707	4.48
<b>'A' credit rated bonds</b>					<b>3,851</b>	<b>10.11</b>
AIA Group FRN	400,000	US\$	31.12.2099		374	0.98
Alibaba Group Holding 4.4%	400,000	US\$	06.12.2057		328	0.86
BOC Aviation 3.875%	600,000	US\$	27.04.2026		582	1.53
CBQ Finance 2%	200,000	US\$	15.09.2025		190	0.50
Commercial Bank FRN	400,000	US\$	31.12.2099		371	0.97
Empresa de Transporte de Pasajeros Metro 3.65%	225,000	US\$	07.05.2030		206	0.54
First Abu Dhabi Bank FRN	400,000	US\$	04.04.2034		410	1.08
Masdar Abu Dhabi Future Energy 4.875%	200,000	US\$	25.07.2033		196	0.51
Ooredoo International Finance 2.625%	400,000	US\$	08.04.2031		344	0.90
QNB Finance 1.375%	200,000	US\$	26.01.2026		186	0.49
Standard Chartered FRN	600,000	US\$	29.06.2032		493	1.30
Tencent Holdings 2.39%	200,000	US\$	03.06.2030		171	0.45
<b>'BBB' credit rated bonds</b>					<b>11,104</b>	<b>29.17</b>
Aldar Investment Properties 4.875%	400,000	US\$	24.05.2033		391	1.03
Anglo American Capital 5.5%	400,000	US\$	02.05.2033		398	1.05
Banco de Crédito del Perú FRN	200,000	US\$	01.07.2030		192	0.50
Banco General 4.125%	320,000	US\$	07.08.2027		303	0.80
Banco Internacional del Perú FRN	400,000	US\$	08.07.2030		385	1.01
Bank Leumi FRN	400,000	US\$	18.07.2033		395	1.04
Bank Mandiri 5.5%	200,000	US\$	04.04.2026		200	0.53

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Bank of East Asia FRN	250,000	US\$	15.03.2027		252	0.66
Bank of East Asia FRN	250,000	US\$	22.04.2032		235	0.62
Bank of the Philippine Islands 5.25%	200,000	US\$	26.03.2029		200	0.53
Bimbo Bakeries USA 5.375%	247,000	US\$	09.01.2036		245	0.64
Bimbo Bakeries USA 6.4%	400,000	US\$	15.01.2034		429	1.13
Burgan Bank FRN	200,000	US\$	15.12.2031		173	0.45
Colombia (Republic of) 7.75%	600,000,000	COP	18.09.2030		142	0.37
Consorcio Transmantaro 5.2%	200,000	US\$	11.04.2038		189	0.50
Flex 6%	172,000	US\$	15.01.2028		175	0.46
Globe Telecom 2.5%	200,000	US\$	23.07.2030		168	0.44
Hungary (Republic of) 5.375%	188,000	€	12.09.2033		214	0.56
Indian Railway Finance 3.57%	200,000	US\$	21.01.2032		177	0.46
Indonesia (Republic of) 6.625%	300,000	US\$	17.02.2037		339	0.89
Inmobiliaria Vesta 3.625%	229,000	US\$	13.05.2031		200	0.53
Lenovo Group 3.421%	450,000	US\$	02.11.2030		395	1.04
Mashreqbank FRN	400,000	US\$	24.02.2033		424	1.11
Mauritius Commercial Bank 7.95%	200,000	US\$	26.04.2028		215	0.56
Meituan 3.05%	482,000	US\$	28.10.2030		413	1.08
Mizrahi Tefahot Bank FRN	400,000	US\$	07.04.2031		366	0.96
NBK Tier 1 FRN	400,000	US\$	31.12.2099		369	0.97
Nexa Resources 5.375%	400,000	US\$	04.05.2027		391	1.03
Nova KBM FRN	300,000	€	03.04.2028		324	0.85
Peru (Republic of) 2.4%	200,000	US\$	28.09.2027		179	0.47
Peru (Republic of) 5.35%	500,000	PEN	12.08.2040		108	0.28
Prosus 3.832%	1,000,000	US\$	08.02.2051		617	1.62
Rizal Commercial Banking 5.5%	400,000	US\$	18.01.2029		402	1.06
Shinhan Bank 4.375%	200,000	US\$	13.04.2032		185	0.49
SK Hynix 2.375%	400,000	US\$	19.01.2031		329	0.86
Tower Bersama Infrastructure 4.25%	200,000	US\$	21.01.2025		197	0.52
United Overseas Bank FRN	400,000	US\$	14.10.2031		366	0.96

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Uruguay (Republic of) 8.25%	12,500,000	UYU	21.05.2031		320	0.84
Vanke Real Estate Hong Kong 3.975%	200,000	US\$	09.11.2027		102	0.27
<b>'BB' credit rated bonds</b>					<b>14,851</b>	<b>39.01</b>
Aegea Finance 9%	400,000	US\$	20.01.2031		424	1.11
Ambipar Lux 9.875%	200,000	US\$	06.02.2031		200	0.53
Arcelik 8.5%	200,000	US\$	25.09.2028		209	0.55
ATP Tower Holdings Via Andean Tower Partners Colombia Via Andean Telecom Partner 4.05%	300,000	US\$	27.04.2026		283	0.74
Banca Transilvania FRN	200,000	€	27.04.2027		229	0.60
Banco de Crédito e Inversiones FRN	600,000	US\$	31.12.2099		620	1.63
Banco Nacional de Comercio Exterior FRN	600,000	US\$	11.08.2031		537	1.41
Bancolombia FRN	200,000	US\$	18.12.2029		194	0.51
Bangkok Bank FRN	400,000	US\$	25.09.2034		356	0.94
Bank Muscat 4.75%	200,000	US\$	17.03.2026		196	0.51
BBVA Bancomer FRN	200,000	US\$	18.01.2033		186	0.49
BBVA Bancomer FRN	200,000	US\$	29.06.2038		211	0.55
BBVA Bancomer FRN	400,000	US\$	08.01.2039		415	1.09
Bidvest Group 3.625%	390,000	US\$	23.09.2026		364	0.96
Bioceanico Sovereign Certificate 0%	173,548	US\$	05.06.2034		128	0.34
Brazil (Federal Republic of) 6.125%	200,000	US\$	15.03.2034		198	0.52
Brazil (Federal Republic of) 10%	931,000	BRL	01.01.2029		183	0.48
Canpack Via Canpack US 3.875%	200,000	US\$	15.11.2029		177	0.47
Cemex 5.2%	400,000	US\$	17.09.2030		387	1.02
Colombia (Republic of) 4.125%	200,000	US\$	15.05.2051		125	0.33
Colombia (Republic of) 6.125%	200,000	US\$	18.01.2041		173	0.45
Colombia (Republic of) 8%	400,000	US\$	20.04.2033		423	1.11
Dominican (Republic of) 6.85%	200,000	US\$	27.01.2045		199	0.52
Dominican (Republic of) 8%	4,000,000	DOP	15.01.2027		63	0.17
Dominican (Republic of) 8%	7,000,000	DOP	12.02.2027		110	0.29
Eastern & Southern African Trade & Development Bank 4.125%	600,000	US\$	30.06.2028		525	1.38

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Eramet 7%	400,000	€	22.05.2028		433	1.14
Globo Comunicação e Participações 5.5%	300,000	US\$	14.01.2032		261	0.69
InRetail Consumer 3.25%	200,000	US\$	22.03.2028		179	0.47
Kasikornbank FRN	200,000	US\$	02.10.2031		186	0.49
Klabin Austria 3.2%	200,000	US\$	12.01.2031		169	0.44
Levi Strauss 3.375%	200,000	€	15.03.2027		212	0.56
Macy's Retail Holdings 5.875%	230,000	US\$	01.04.2029		225	0.59
MAF Global Securities FRN	200,000	US\$	31.12.2099		210	0.55
MAF Global Securities 6.375%	400,000	US\$	31.12.2099		399	1.05
mBank FRN	300,000	€	11.09.2027		344	0.90
Metalsa 3.75%	350,000	US\$	04.05.2031		283	0.74
Millicom International Cellular 4.5%	400,000	US\$	27.04.2031		344	0.90
Millicom International Cellular 5.125%	180,000	US\$	15.01.2028		172	0.45
Minsur 4.5%	300,000	US\$	28.10.2031		263	0.69
Natura Cosméticos 4.125%	200,000	US\$	03.05.2028		183	0.48
Natura Luxembourg Holdings 6%	200,000	US\$	19.04.2029		195	0.51
Network i2i FRN	400,000	US\$	31.12.2099		397	1.04
OTP Bank FRN	200,000	US\$	15.05.2033		208	0.55
Paraguay (Republic of) 5.85%	200,000	US\$	21.08.2033		201	0.53
Rede D'Ór Finance 4.5%	200,000	US\$	22.01.2030		181	0.48
Sagikor Financial 5.3%	400,000	US\$	13.05.2028		386	1.01
Serbia (Republic of) 3.125%	200,000	€	15.05.2027		208	0.55
South Africa (Republic of) 5.75%	400,000	US\$	30.09.2049		288	0.76
South Africa (Republic of) 8.5%	3,000,000	ZAR	31.01.2037		116	0.30
Telefónica Celular del Paraguay 5.875%	200,000	US\$	15.04.2027		195	0.51
Teva Pharmaceutical Finance Netherlands III 4.1%	800,000	US\$	01.10.2046		550	1.44
UEP Penonome II 6.5%	176,085	US\$	01.10.2038		139	0.37
Uzbek Industrial and Construction Bank 5.75%	400,000	US\$	02.12.2024		394	1.03
WE Soda Investments Holding 9.5%	400,000	US\$	06.10.2028		415	1.09

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Debt securities (continued)</b>						
<b>'B' credit rated bonds</b>					<b>3,414</b>	<b>8.97</b>
Absa Group FRN	200,000	US\$	31.12.2099		194	0.51
Akbank 6.8%	200,000	US\$	06.02.2026		201	0.53
Aydem Yenilenebilir Enerji 7.75%	400,000	US\$	02.02.2027		386	1.01
Banco Davivienda FRN	400,000	US\$	31.12.2099		282	0.74
Continuum Energy Aura 9.5%	200,000	US\$	24.02.2027		208	0.55
Delhi International Airport 6.125%	200,000	US\$	31.10.2026		198	0.52
Energo-Pro 11%	200,000	US\$	02.11.2028		219	0.58
First Quantum Minerals 9.375%	200,000	US\$	01.03.2029		208	0.55
IHS Holding 5.625%	400,000	US\$	29.11.2026		373	0.98
IHS Holding 6.25%	200,000	US\$	29.11.2028		176	0.46
Liberty Costa Rica Senior Secured Finance 10.875%	200,000	US\$	15.01.2031		211	0.55
Liquid Telecom Finance 5.5%	200,000	US\$	04.09.2026		118	0.31
Türkiye Sınai Kalkınma Bankası 9.375%	200,000	US\$	19.10.2028		214	0.56
Yapı ve Kredi Bankası 9.25%	400,000	US\$	16.10.2028		426	1.12
<b>'CCC' credit rated bonds</b>					<b>518</b>	<b>1.36</b>
Argentina (Republic of) 1.5%	600,000	US\$	09.07.2035		252	0.66
Kenbourne Invest 4.7%	200,000	US\$	22.01.2028		73	0.19
Oriflame Investment Holding 5.125%	200,000	US\$	04.05.2026		54	0.14
VTR Comunicaciones 4.375%	200,000	US\$	15.04.2029		139	0.37
<b>'D' credit rated bonds</b>					<b>39</b>	<b>0.10</b>
Easy Tactic 6.5%	232,583	US\$	11.07.2025		9	0.02
Easy Tactic 6.5%	232,586	US\$	11.07.2028		9	0.02
Sovcombank Via SovCom Capital FRN <sup>a</sup>	200,000	US\$	07.04.2030		0	0.00
Yuzhou Group Holdings 7.85% <sup>b</sup>	200,000	US\$	12.08.2026		10	0.03
Yuzhou Group Holdings 8.3% <sup>b</sup>	200,000	US\$	27.05.2025		11	0.03
<b>Bonds with no credit rating</b>					<b>775</b>	<b>2.03</b>
Alinma Bank FRN	400,000	US\$	31.12.2099		404	1.06
Emirates NBD Bank FRN	400,000	US\$	31.12.2099		371	0.97

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency</b>					<b>14</b>	<b>0.04</b>
<b>Forward currency contracts</b>					<b>14</b>	<b>0.04</b>
Bought for CLP 95,000,000.00, Sold for US\$ 96,280.53			10.04.2024	97	0	0.00
Bought for US\$ 1,746,210.25, Sold for € 1,602,592.36			29.05.2024	1,728	14	0.04
<b>Portfolio of investments</b>					<b>37,445</b>	<b>98.35</b>
<b>Share class hedging</b>					<b>(38)</b>	<b>(0.10)</b>
Bought for € 7,640,891.32, Sold for US\$ 8,285,299.02			24.04.2024	8,241	(38)	(0.10)
Bought for £ 131,884.18, Sold for US\$ 166,711.49			24.04.2024	166	0	0.00
Bought for US\$ 23,634.74, Sold for € 21,801.91			24.04.2024	23	0	0.00
Bought for US\$ 605.21, Sold for £ 478.79			24.04.2024	1	0	0.00
<b>Total portfolio</b>					<b>37,407</b>	<b>98.25</b>
Net other assets/(liabilities)					665	1.75
<b>Net assets</b>					<b>38,072</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					37,431	98.31
Unrealised gains on forward currency contracts					14	0.04
<b>Total Investment assets</b>					<b>37,445</b>	<b>98.35</b>
<b>Investment liabilities</b>						
Unrealised losses on forward currency contracts					(38)	(0.10)
<b>Total Investment liabilities</b>					<b>(38)</b>	<b>(0.10)</b>
<b>Total portfolio</b>					<b>37,407</b>	<b>98.25</b>
<b>Net other assets/(liabilities)</b>					<b>665</b>	<b>1.75</b>
<b>Net assets</b>					<b>38,072</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> Defaulted bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
		Forward currency contracts US\$'000
Citigroup Global Markets Limited		3
National Australia Bank Ltd		11

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A-H' Accumulation	+6.4	-3.1	n/a	-1.3	25.07.19
Class 'A-H' Distribution	+6.4	-3.1	n/a	-1.3	25.07.19
Class 'C-H' Accumulation	+7.4	-2.2	n/a	-0.5	25.07.19
Class 'C-H' Distribution	+7.4	-2.2	n/a	-0.4	25.07.19
Class 'CI-H' Accumulation	+7.4	-2.1	n/a	-0.4	25.07.19
Class 'CI-H' Distribution	+7.5	-2.1	n/a	-0.4	25.07.19
Class 'LI-H' Accumulation	+7.8	-1.9	n/a	-0.1	25.07.19
Class 'LI-H' Distribution	+7.8	-1.9	n/a	-0.1	25.07.19
<b>Sterling</b>					
Class 'C' Accumulation	+7.4	+2.7	n/a	+0.8	27.09.19
Class 'C' Distribution	+7.4	+2.7	n/a	+0.9	27.09.19
Class 'C-H' Accumulation	+8.7	-1.0	n/a	+0.3	27.09.19
Class 'C-H' Distribution	+8.8	-1.0	n/a	+0.3	27.09.19
<b>US dollar</b>					
Class 'A' Accumulation	+8.5	-1.1	n/a	+0.6	25.07.19
Class 'A' Distribution	+8.5	-1.1	n/a	+0.6	25.07.19
Class 'C' Accumulation	+9.5	-0.2	n/a	+1.6	25.07.19
Class 'C' Distribution	+9.5	-0.2	n/a	+1.6	25.07.19
Class 'CI' Accumulation	+9.5	-0.2	n/a	+1.6	25.07.19
Class 'CI' Distribution	+9.5	-0.2	n/a	+1.6	25.07.19
Class 'LI' Accumulation	+9.9	+0.1	n/a	+1.9	25.07.19
Class 'LI' Distribution	+9.9	+0.1	n/a	+1.9	25.07.19

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A-H' Accumulation	46,828.647	9.3835	8.8174	9.3987	1.73
Class 'A-H' Distribution	2,425.000	7.4075	7.4011	8.3213	1.73
Class 'C-H' Accumulation	99,241.288	9.7703	9.1003	9.6143	0.84
Class 'C-H' Distribution	3,495.900	7.7286	7.6507	8.5230	0.83
Class 'CI-H' Accumulation	619,266.381	9.8079	9.1307	9.6419	0.79
Class 'CI-H' Distribution	4,615.000	7.7420	7.6598	8.5302	0.78
Class 'LI-H' Accumulation	4,625.000	9.9313	9.2148	9.7088	0.45 <sup>b</sup>
Class 'LI-H' Distribution	4,630.000	7.8406	7.7329	8.5915	0.46 <sup>b</sup>
<b>Sterling</b>		£	£	£	
Class 'C' Accumulation	633,059.661	10.3850	9.6688	9.3457	0.82
Class 'C' Distribution	1,000.000	8.2768	8.1866	8.3433	0.81
Class 'C-H' Accumulation	11,184.794	10.1166	9.3040	9.6768	0.84
Class 'C-H' Distribution	2,400.000	8.0661	7.8783	8.6414	0.83
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A' Accumulation	20,775.394	10.3069	9.5001	9.8260	1.71
Class 'A' Distribution	2,999.178	8.1368	7.9697	8.6938	1.71
Class 'C' Accumulation	53,265.364	10.7512	9.8217	10.0677	0.82
Class 'C' Distribution	2,435.000	8.4929	8.2429	8.9096	0.81
Class 'CI' Accumulation	4,600.000	10.7711	9.8362	10.0783	0.77
Class 'CI' Distribution	4,605.000	8.5056	8.2529	8.9179	0.78
Class 'LI' Accumulation	1,870,000.000	10.9071	9.9263	10.1459	0.43 <sup>b</sup>
Class 'LI' Distribution	4,620.000	8.6147	8.3301	8.9783	0.44 <sup>b</sup>

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<sup>b</sup> The annual management charge decreased from 0.35% to 0.15% effective 17 October 2023.

## Financial highlights

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	38,072	33,882	37,006
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>38,072</b>	<b>33,882</b>	<b>37,006</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Global bonds generally delivered solid returns in the period under review, as inflation moderated and major central banks reached the end of their tightening cycle. Sentiment improved significantly amidst a broad market rally at the end of 2023. Indications of a dovish pivot in monetary policy (interest rate cuts) from the US Federal Reserve sparked a powerful two-month rally in core government bonds, benefiting all segments of the fixed income market.

Despite some weakness in core government bonds during the first quarter of 2024, high yield (HY) bonds continued on their positive trajectory, helped by strong technical elements. Meanwhile, fears of recession faded amid strong macroeconomic data, notably in the US. Global high yield bonds outperformed investment grade credit and sovereign bonds during the period under review.

Against this backdrop, the sub-fund delivered positive total returns (the combination of capital growth and income) across its share classes, with mixed relative returns against its benchmark index, the Bloomberg MSCI Global HY Corporate ESG BB+ Sustainable SRI Bond Index, which returned 8.45% in euros and 10.64% in US dollars in the period under review.

While duration positioning made a positive contribution to relative performance, credit selection was a drag on relative returns.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

There was an active flow of new issues from a range of sectors, especially during the second half of the review period. In the first half of the review period, we participated in a number of deals including from beauty company Coty, Sunnova Energy, Forward Air and American Airlines.

In Europe, we participated in new issues from Intesa Sanpaolo (financials) and France's telecommunications firm Iliad. In the UK, we bought new bonds from Aston Martin, Pinewood, British Telecommunications and Heathrow Funding. Elsewhere, we participated in new deals from Japanese firm Rakuten and Australian miner Mineral Resources.

In the secondary market, we trimmed some cyclical exposure (for example homebuilder KB Home, and retailer Ocado), and instead added higher-quality names such as Darling Ingredients and Charter Communications. We also trimmed distressed telecommunications firm Altice France, which reported mixed results and Ford Motors, after it was fully upgraded back to investment grade. We sold our holdings in Sprint, Virgin Media, and Macy's.

In 2024, we increased our holdings in healthcare firm (Owens & Minor) and telecommunication companies (Virgin Media and Telecom Italia) while reducing our underweight in real estate. We added real estate investment trusts (REITs) MPT Operating Partnership and Sweden's SBB.

In March, we closed our positions in Burger King (good performance) and SBB (ratings downgrade).

### Outlook

HY corporate issuers' fundamentals have, so far, held up reasonably well. This is largely thanks to buoyant consumption and pre-emptive corporate refinancings that have enabled issuers to lengthen their maturity profile at attractive rates.

Nevertheless, as developed economies slow down and the impact of higher interest rates starts biting into corporate balance sheets, we would expect to see an uptick in default rates. Our base case scenario remains that of a mild default cycle, which would not be too damaging for the corporate sector.

As HY markets continue to see inflows and issuances remain light as compared to previous years, technical elements (supply/demand imbalances and attractive all-in yields) continue to support credit spread containment. Against a backdrop of moderate interest



# Investment review

rate cuts, contained spreads and a mild default environment, in our view, the asset class could still deliver good returns over the next 12 months.

## James Tomlins and Lu Yu

Co-sub-fund managers

At the start the review period Stefan Isaacs was co-sub-fund manager. He was replaced on 15 January 2024 by Lu Yu.

Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>2</b>	<b>0.01</b>
<b>Equities</b>					<b>2</b>	<b>0.01</b>
ADLER Group	10,790	€			2	0.01
ADLER Group <sup>a</sup>	4,873	€			0	0.00
<b>Fixed income</b>					<b>39,263</b>	<b>95.74</b>
<b>Debt securities</b>					<b>39,277</b>	<b>95.78</b>
<b>'AAA' credit rated bonds</b>					<b>830</b>	<b>2.02</b>
European Investment Bank 0.375%	450,000	US\$	26.03.2026		414	1.01
European Investment Bank 1.625%	430,000	US\$	14.03.2025		416	1.01
<b>'BBB' credit rated bonds</b>					<b>2,811</b>	<b>6.85</b>
ABN AMRO Bank FRN	200,000	€	31.12.2099		203	0.49
Banco de Sabadell FRN	200,000	€	16.06.2028		197	0.48
Berry Global 4.875%	300,000	US\$	15.07.2026		294	0.72
Cellnex Finance 3.875%	200,000	US\$	07.07.2041		157	0.38
Cellnex Telecom 1.75%	400,000	€	23.10.2030		384	0.94
Deutsche Bank FRN	300,000	€	24.06.2032		314	0.77
Ford Motor 6.1%	500,000	US\$	19.08.2032		506	1.23
HCA 5.625%	200,000	US\$	01.09.2028		202	0.49
LPL Holdings 4%	200,000	US\$	15.03.2029		184	0.45
Meritage Homes 3.875%	200,000	US\$	15.04.2029		184	0.45
PRA Health Sciences 2.875%	200,000	US\$	15.07.2026		186	0.45
<b>'BB' credit rated bonds</b>					<b>24,120</b>	<b>58.82</b>
1011778 BC Via New Red Finance 3.875%	500,000	US\$	15.01.2028		470	1.15
ADT 4.125%	200,000	US\$	01.08.2029		183	0.45
American Airlines 7.25%	100,000	US\$	15.02.2028		102	0.25
American Airlines 8.5%	308,000	US\$	15.05.2029		325	0.79
American Airlines Via AAdvantage Loyalty 5.5%	150,000	US\$	20.04.2026		149	0.36
Avantor Funding 3.875%	500,000	€	15.07.2028		526	1.28
B&M European Value Retail 4%	200,000	£	15.11.2028		235	0.57
Banco Bilbao Vizcaya Argentaria FRN	200,000	€	31.12.2099		216	0.53
Barclays FRN	200,000	US\$	31.12.2099		200	0.49
Bath & Body Works 6.75%	300,000	US\$	01.07.2036		303	0.74
Belden 3.375%	200,000	€	15.07.2031		200	0.49

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
British Telecommunications FRN	142,000	€	03.10.2054		153	0.37
British Telecommunications FRN	150,000	£	20.12.2083		202	0.49
CCO Holdings Via CCO Holdings Capital 4.5%	200,000	US\$	15.08.2030		168	0.41
CCO Holdings Via CCO Holdings Capital 4.5%	400,000	US\$	01.05.2032		322	0.79
CCO Holdings Via CCO Holdings Capital 5.125%	800,000	US\$	01.05.2027		763	1.86
Citycon FRN	400,000	€	31.12.2099		312	0.76
Clean Harbors 6.375%	200,000	US\$	01.02.2031		202	0.49
Commerzbank FRN	200,000	€	31.03.2099		213	0.52
Coty Via HFC Prestige Products Via HFC Prestige International 6.625%	200,000	US\$	15.07.2030		203	0.50
CPI Property Group FRN	350,000	€	31.12.2099		226	0.55
Crowdstrike Holdings 3%	200,000	US\$	15.02.2029		178	0.43
Crown Americas Via Crown Americas Capital 4.25%	400,000	US\$	30.09.2026		387	0.94
Dana Financing Luxembourg 3%	300,000	€	15.07.2029		293	0.71
Darling Ingredients 6%	150,000	US\$	15.06.2030		149	0.36
Derichebourg 2.25%	200,000	€	15.07.2028		199	0.49
Domtar 6.75%	200,000	US\$	01.10.2028		182	0.44
Eramet 7%	200,000	€	22.05.2028		217	0.53
Eurobank FRN	200,000	€	26.01.2029		235	0.57
Eurofins Scientific FRN	200,000	€	31.12.2099		209	0.51
Goodyear Europe 2.75%	400,000	€	15.08.2028		389	0.95
Greenko Solar Mauritius 5.55%	200,000	US\$	29.01.2025		198	0.48
Grupo KUO 5.75%	400,000	US\$	07.07.2027		378	0.92
GTCR W-2 Merger Sub Via GTCR W Dutch Finance Sub 8.5%	300,000	£	15.01.2031		409	1.00
H&E Equipment Services 3.875%	300,000	US\$	15.12.2028		275	0.67
Heathrow Finance 3.875%	200,000	£	01.03.2027		238	0.58
Heathrow Finance 6.625%	120,000	£	01.03.2031		150	0.37
Huhtamäki 4.25%	100,000	€	09.06.2027		109	0.27
Infrastrutture Wireless Italiane 1.875%	200,000	€	08.07.2026		207	0.50
Intesa Sanpaolo FRN	200,000	€	29.12.2049		224	0.55

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Intrum 3.5%	200,000	€	15.07.2026		141	0.34
IQVIA 6.5%	400,000	US\$	15.05.2030		409	1.00
Iron Mountain 7%	450,000	US\$	15.02.2029		459	1.12
Jaguar Land Rover Automotive 4.5%	200,000	US\$	01.10.2027		189	0.46
Jazz Securities 4.375%	300,000	US\$	15.01.2029		279	0.68
KB Home 4.8%	200,000	US\$	15.11.2029		190	0.46
KBC Group FRN	200,000	€	31.12.2099		206	0.50
Kohl's 4.625%	350,000	US\$	01.05.2031		294	0.72
Levi Strauss 3.5%	400,000	US\$	01.03.2031		351	0.86
Lloyds Banking Group FRN	200,000	€	31.12.2049		213	0.52
Midas Opco Holdings 5.625%	400,000	US\$	15.08.2029		363	0.89
Millicom International Cellular 4.5%	400,000	US\$	27.04.2031		344	0.84
MPT Operating Partnership Via MPT Finance 3.325%	270,000	€	24.03.2025		274	0.67
Network i2i FRN	200,000	US\$	31.12.2099		190	0.46
Newell Brands 4.875%	300,000	US\$	01.06.2025		295	0.72
Novo Banco FRN	100,000	€	01.12.2033		125	0.30
Organon & Co Via Organon Foreign Debt Co-Issuer 4.125%	200,000	US\$	30.04.2028		186	0.45
Paramount Global FRN	315,000	US\$	30.03.2062		291	0.71
Pinewood Finance 3.25%	100,000	£	30.09.2025		124	0.30
Pinewood Finco 6%	250,000	£	27.03.2030		316	0.77
Post Holdings 6.25%	68,000	US\$	15.02.2032		69	0.17
Premier Foods Finance 3.5%	100,000	£	15.10.2026		121	0.30
Prestige Brands 3.75%	200,000	US\$	01.04.2031		174	0.42
Rakuten Group 11.25%	200,000	US\$	15.02.2027		212	0.52
Rand Parent 8.5%	300,000	US\$	15.02.2030		297	0.72
Rede D'Ór Finance 4.95%	300,000	US\$	17.01.2028		287	0.70
Rexel 2.125%	200,000	€	15.12.2028		199	0.49
Rogers Communications FRN	200,000	US\$	15.03.2082		192	0.47
Royal Caribbean Cruises 5.375%	500,000	US\$	15.07.2027		493	1.20
Royal Caribbean Cruises 9.25%	200,000	US\$	15.01.2029		215	0.52

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Sappi Papier Holding 3.625%	300,000	€	15.03.2028		312	0.76
Schaeffler 2.75%	200,000	€	12.10.2025		212	0.52
Sealed Air Corp 6.125%	300,000	US\$	01.02.2028		300	0.73
Sirius XM Radio 4.125%	400,000	US\$	01.07.2030		349	0.85
Sirius XM Radio 5%	150,000	US\$	01.08.2027		144	0.35
SoftBank Group 3.875%	200,000	€	06.07.2032		194	0.47
Spirit Loyalty Cayman Via Spirit IP Cayman 8%	300,000	US\$	20.09.2025		227	0.55
TEGNA 4.625%	300,000	US\$	15.03.2028		276	0.67
Telefónica Europe FRN	100,000	€	31.12.2099		109	0.27
Tenet Healthcare 4.625%	550,000	US\$	15.06.2028		524	1.28
Teva Pharmaceutical Finance Netherlands II 1.625%	200,000	€	15.10.2028		187	0.46
Teva Pharmaceutical Finance Netherlands II 7.375%	250,000	€	15.09.2029		299	0.73
Teva Pharmaceutical Finance Netherlands III 3.15%	400,000	US\$	01.10.2026		374	0.91
TI Automotive Finance 3.75%	200,000	€	15.04.2029		203	0.50
UniCredit FRN	300,000	€	31.12.2099		336	0.82
United Airlines 4.375%	300,000	US\$	15.04.2026		290	0.71
United Rentals 6.125%	181,000	US\$	15.03.2034		182	0.44
Vertiv Group 4.125%	200,000	US\$	15.11.2028		187	0.46
Videotron 3.625%	300,000	US\$	15.06.2029		271	0.66
Vodafone Group FRN	100,000	US\$	04.04.2079		103	0.25
Vodafone Group FRN	300,000	€	27.08.2080		311	0.76
WE Soda Investments Holding 9.375%	350,000	US\$	14.02.2031		360	0.88
WMG Acquisition 2.25%	300,000	€	15.08.2031		282	0.69
Yum! Brands 5.375%	300,000	US\$	01.04.2032		291	0.71
<b>'B' credit rated bonds</b>					<b>8,160</b>	<b>19.90</b>
AdaptHealth 5.125%	400,000	US\$	01.03.2030		349	0.85
ADLER Financing 12.5%	100,000	€	30.06.2025		123	0.30
Aston Martin Capital Holdings 10.375%	157,000	£	31.03.2029		202	0.49
Cemex FRN	270,000	US\$	31.12.2099		261	0.64
CHS Via Community Health Systems 4.75%	500,000	US\$	15.02.2031		387	0.94

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
CPUK Finance 6.5%	200,000	£	28.08.2026		250	0.61
CSC Holdings 4.5%	200,000	US\$	15.11.2031		142	0.35
CSC Holdings 5.5%	300,000	US\$	15.04.2027		267	0.65
Cullinan Holdco 4.625%	151,000	€	15.10.2026		146	0.36
Deuce FinCo 5.5%	200,000	£	15.06.2027		240	0.59
Forward Air 9.5%	134,000	US\$	15.10.2031		134	0.33
Frontier Communications Holdings 8.625%	400,000	US\$	15.03.2031		408	1.00
Grifols 3.875%	200,000	€	15.10.2028		171	0.42
Hanesbrands 4.875%	300,000	US\$	15.05.2026		292	0.71
iHeartCommunications 4.75%	280,000	US\$	15.01.2028		196	0.48
Iliad Holding 5.125%	150,000	€	15.10.2026		160	0.39
International Design Group 10%	200,000	€	15.11.2028		224	0.55
IPD 3 8%	219,000	€	15.06.2028		251	0.61
Liquid Telecom Finance 5.5%	250,000	US\$	04.09.2026		148	0.36
Medline Borrower 3.875%	200,000	US\$	01.04.2029		182	0.44
NCR Voyix 5%	283,000	US\$	01.10.2028		264	0.64
Ocado Group 3.875%	100,000	£	08.10.2026		114	0.28
Owens & Minor 4.5%	300,000	US\$	31.03.2029		275	0.67
Star Parent 9%	153,000	US\$	01.10.2030		162	0.40
Sunnova Energy 11.75%	150,000	US\$	01.10.2028		116	0.28
Telecom Italia 4%	100,000	€	11.04.2024		108	0.26
Telecom Italia 5.303%	600,000	US\$	30.05.2024		599	1.46
Telecom Italia 7.875%	350,000	€	31.07.2028		415	1.01
Trivium Packaging Finance 3.75%	193,000	€	15.08.2026		202	0.49
Verisure Holding 3.25%	250,000	€	15.02.2027		259	0.63
Verisure Midholding 5.25%	300,000	€	15.02.2029		313	0.76
Virgin Media Secured Finance 4.125%	100,000	£	15.08.2030		107	0.26
Virgin Media Vendor Financing Notes III 4.875%	200,000	£	15.07.2028		227	0.55
Voyage Care Bondco 5.875%	200,000	£	15.02.2027		209	0.51
Ziggo Bond 5.125%	300,000	US\$	28.02.2030		257	0.63

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'CCC' credit rated bonds</b>					<b>3,301</b>	<b>8.05</b>
AGPS BondCo 4.625%	100,000	€	14.01.2026		42	0.10
Altice France 3.375%	300,000	€	15.01.2028		237	0.58
Bausch Health 4.875%	400,000	US\$	01.06.2028		220	0.54
Casino Guichard Perrachon 6.625%	375,000	€	15.01.2026		5	0.01
CHS Via Community Health Systems 6.875%	100,000	US\$	15.04.2029		75	0.18
CSC Holdings 5.75%	250,000	US\$	15.01.2030		132	0.32
Glatfelter 4.75%	550,000	US\$	15.11.2029		468	1.14
McGraw-Hill Education 8%	400,000	US\$	01.08.2029		377	0.92
Samhällsbyggnadsbolaget i Norden 2.25%	250,000	€	12.08.2027		185	0.45
Selecta Group 8%	200,000	€	01.04.2026		211	0.51
Sigma Holdco 5.75%	300,000	€	15.05.2026		306	0.75
Triton Water Holdings 6.25%	400,000	US\$	01.04.2029		364	0.89
VTR Comunicaciones 4.375%	300,000	US\$	15.04.2029		209	0.51
VTR Finance 6.375%	300,000	US\$	15.07.2028		170	0.42
WP/AP Telecom Holdings III 5.5%	300,000	€	15.01.2030		300	0.73
<b>'D' credit rated bonds</b>					<b>53</b>	<b>0.13</b>
Yuzhou Group Holdings 6.35% <sup>b</sup>	200,000	US\$	13.01.2027		11	0.03
Yuzhou Group Holdings 7.85% <sup>b</sup>	590,000	US\$	12.08.2026		28	0.07
Yuzhou Group Holdings 8.3% <sup>b</sup>	250,000	US\$	27.05.2025		14	0.03
<b>Bonds with no credit rating</b>						
Casino Guichard Perrachon 5.25%	200,000	€	15.04.2027		2	0.01
<b>Debt derivatives</b>					<b>(14)</b>	<b>(0.04)</b>
<b>Interest rate futures</b>					<b>(14)</b>	<b>(0.04)</b>
Deutscher Bobl 5 year Futures	(13)	€	06.06.2024	14	(5)	(0.02)
US Treasury Notes 10 year Futures	3	US\$	18.06.2024	3	0	0.00
UK Treasury Notes Futures	(3)	£	26.06.2024	4	(9)	(0.02)
US Treasury Notes 5 year Futures	35	US\$	28.06.2024	35	0	0.00
<b>Currency</b>					<b>109</b>	<b>0.27</b>
<b>Forward currency contracts</b>					<b>109</b>	<b>0.27</b>
Bought for € 829,024.22, Sold for US\$ 899,334.97			03.04.2024	894	(5)	(0.01)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Currency (continued)</b>						
<b>Forward currency contracts (continued)</b>						
Bought for £ 67,364.09, Sold for US\$ 85,896.44			03.04.2024	85	(1)	0.00
Bought for US\$ 13,168,661.07, Sold for € 12,121,906.55			03.04.2024	13,073	96	0.23
Bought for US\$ 3,253,346.60, Sold for £ 2,564,441.07			03.04.2024	3,234	19	0.05
<b>Portfolio of investments</b>					<b>39,374</b>	<b>96.02</b>
<b>Share class hedging</b>					<b>(44)</b>	<b>(0.10)</b>
Bought for CHF 109,348.47, Sold for US\$ 122,187.98			24.04.2024	121	0	0.00
Bought for € 5,113,230.30, Sold for US\$ 5,544,464.80			24.04.2024	5,514	(26)	(0.06)
Bought for £ 3,757,014.15, Sold for US\$ 4,749,147.53			24.04.2024	4,739	(10)	(0.02)
Bought for NOK 814,747.69, Sold for US\$ 76,120.10			24.04.2024	75	(1)	0.00
Bought for SEK 6,638,572.54, Sold for US\$ 628,002.76			24.04.2024	622	(7)	(0.02)
Bought for US\$ 2,774.38, Sold for CHF 2,483.48			24.04.2024	2	0	0.00
Bought for US\$ 16,398.36, Sold for € 15,126.73			24.04.2024	16	0	0.00
Bought for US\$ 19,595.80, Sold for £ 15,502.56			24.04.2024	19	0	0.00
Bought for US\$ 1,312.60, Sold for NOK 14,073.62			24.04.2024	1	0	0.00
Bought for US\$ 29,594.01, Sold for SEK 312,476.55			24.04.2024	30	0	0.00
<b>Total portfolio</b>					<b>39,330</b>	<b>95.92</b>
Net other assets/(liabilities)					1,678	4.08
<b>Net assets</b>					<b>41,008</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	2	0.01
Debt securities	39,277	95.78
Unrealised gains on forward currency contracts	115	0.28
<b>Total Investment assets</b>	<b>39,394</b>	<b>96.07</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(14)	(0.04)
Unrealised losses on forward currency contracts	(50)	(0.11)
<b>Total Investment liabilities</b>	<b>(64)</b>	<b>(0.15)</b>
<b>Total portfolio</b>	<b>39,330</b>	<b>95.92</b>
<b>Net other assets/(liabilities)</b>	<b>1,678</b>	<b>4.08</b>
<b>Net assets</b>	<b>41,008</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

<sup>b</sup> Defaulted bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts US\$'000	Futures US\$'000
Bank of America Merrill Lynch	0	1
BNP Paribas	2	0
Citigroup Global Markets Limited	3	0
HSBC Bank Plc	1	0
JPMorgan London	2	0
National Australia Bank Ltd	90	0
State Street Bank and Trust Company	1	0
State Street Bank and Trust Company, London Branch	15	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A-H' Accumulation	+8.2	-2.0	-0.1	-0.2	05.10.17
Class 'A-H' Distribution	+8.2	-2.0	-0.1	-0.2	05.10.17
Class 'C-H' Accumulation	+8.8	-1.4	+0.5	+0.4	05.10.17
Class 'C-H' Distribution	+8.9	-1.4	+0.5	+0.4	05.10.17
Class 'CI-H' Accumulation	+9.0	-1.3	+0.6	+0.5	05.10.17
Class 'L-H' Accumulation	+8.8	-1.3	+0.7	+0.6	05.10.17
<b>Norwegian krone</b>					
Class 'A-H' Accumulation	+8.7	-1.2	n/a	+0.2	08.04.19
Class 'CI-H' Accumulation	+9.3	-0.6	n/a	+0.8	08.04.19
<b>Sterling</b>					
Class 'C-H' Accumulation	+10.3	-0.2	+1.4	+1.4	05.10.17
Class 'C-H' Distribution	+10.2	-0.3	+1.3	+1.3	05.10.17
Class 'L-H' Accumulation	+10.6	0.0	+1.7	+1.6	05.10.17
Class 'L-H' Distribution	+10.4	-0.1	+1.3	+1.6	23.08.18
<b>Swedish krona</b>					
Class 'A-H' Accumulation	+8.3	-1.7	n/a	-0.1	08.04.19
Class 'CI-H' Accumulation	+8.9	-1.1	n/a	+0.6	08.04.19
Class 'N-H' Accumulation	+8.4	-1.5	n/a	-1.7	18.02.21
<b>Swiss franc</b>					
Class 'A-H' Accumulation	+5.9	-3.0	-0.8	-0.8	05.10.17
Class 'A-H' Distribution	+5.9	-3.0	-0.8	-0.9	05.10.17
Class 'C-H' Accumulation	+6.6	-2.4	-0.2	-0.2	05.10.17
Class 'C-H' Distribution	+6.6	-2.4	-0.2	-0.2	05.10.17

## Financial highlights

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>US dollar</b>					
Class 'A' Accumulation	+10.3	-0.1	+1.9	+2.0	05.10.17
Class 'A' Distribution	+10.2	-0.1	+1.9	+2.0	05.10.17
Class 'A M' Distribution	+10.3	-0.1	+1.9	+2.1	05.10.17
Class 'C' Accumulation	+10.9	+0.5	+2.5	+2.7	05.10.17
Class 'C' Distribution	+10.9	+0.5	+2.5	+2.7	05.10.17
Class 'CI' Accumulation	+11.0	+0.6	+2.6	+2.7	05.10.17
Class 'L' Accumulation	+11.2	+0.7	+2.8	+2.9	05.10.17

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A-H' Accumulation	129,137.999	9.8975	9.1450	9.9514	1.22
Class 'A-H' Distribution	33,127.300	7.3308	7.1907	8.1977	1.22
Class 'C-H' Accumulation	202,699.283	10.2845	9.4502	10.2231	0.62
Class 'C-H' Distribution	71,350.012	7.6329	7.4413	8.4204	0.62
Class 'CI-H' Accumulation	88,985.340	10.3228	9.4740	10.2361	0.59
Class 'L-H' Accumulation	10,349.819	10.4150	9.5737	10.3380	0.37 <sup>b</sup>
<b>Norwegian krone</b>		NOK	NOK	NOK	
Class 'A-H' Accumulation	2,695.200	100.7900	92.6947	99.8206	1.21
Class 'CI-H' Accumulation	5,165.800	104.1077	95.2452	101.9195	0.58
<b>Sterling</b>		£	£	£	
Class 'C-H' Accumulation	2,445.000	10.9480	9.9248	10.5739	0.62
Class 'C-H' Distribution	4,940.000	8.0507	7.7481	8.6534	0.62
Class 'L-H' Accumulation	85,934.046	11.1162	10.0544	10.6912	0.40 <sup>b</sup>
Class 'L-H' Distribution	328,698.921	8.3303	8.0008	8.9165	0.40 <sup>b</sup>
<b>Swedish krona</b>		SEK	SEK	SEK	
Class 'A-H' Accumulation	2,918.400	99.6753	92.0134	99.6695	1.21
Class 'CI-H' Accumulation	5,593.600	102.7763	94.3877	101.6195	0.58
Class 'N-H' Accumulation	584,539.765	9.4715	8.7336	9.4396	0.98
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	5,225.000	9.4897	8.9585	9.8196	1.22
Class 'A-H' Distribution	2,420.000	7.0169	7.0356	8.0859	1.22
Class 'C-H' Accumulation	2,435.000	9.8764	9.2689	10.1000	0.61
Class 'C-H' Distribution	2,430.000	7.3179	7.2907	8.3209	0.62

# Financial highlights

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>US dollar</b>	<b>US\$</b>		<b>US\$</b>	<b>US\$</b>	
Class 'A' Accumulation	142,183.429	11.4012	10.3412	10.9203	1.20
Class 'A' Distribution	22,226.246	8.4577	8.1362	8.9995	1.20
Class 'A M' Distribution	1,000.000	8.3818	8.0701	8.9342	1.19
Class 'C' Accumulation	124,073.946	11.8496	10.6833	11.2144	0.60
Class 'C' Distribution	202,105.000	8.7960	8.4109	9.2474	0.60
Class 'CI' Accumulation	1,570,310.297	11.8821	10.7091	11.2369	0.56
Class 'L' Accumulation	512,267.913	12.0378	10.8296	11.3450	0.38 <sup>b</sup>

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<sup>b</sup> The annual management charge decreased from 0.20% to 0.15% effective 17 October 2023.

NAV at sub-fund level	31.03.24 US\$'000	31.03.23 US\$'000	31.03.22 US\$'000
Net assets	41,008	112,338	119,493
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>41,008</b>	<b>112,338</b>	<b>119,493</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The start of the reporting period in April 2023 saw a more subdued month, following the banking sector turmoil in March, with most asset classes trading in a fairly narrow band and ended the month close to where they began. Inflation remained front of mind for investors and continued to show resilience across developed markets, leading to European sovereign bonds underperforming during the month, with UK gilts in particular performing poorly following March CPI inflation data of 10.1%.

As the quarter progressed, the focus remained on inflation and interest rates in the developed economies. The Federal Reserve (Fed), ECB and Bank of England did not disappoint relative to expectations, with each delivering further increases in official interest rates during May. Fed Chair Powell, in an attempt to manage expectations, maintained 'some additional policy firming may be appropriate' – the equivocal nature of the statement was interpreted by the market that the end of the hiking cycle was approaching.

Overall, inflation and expectations of future interest rates continued to provide the backdrop for markets, with significant dispersion of corporate spreads continuing to be a feature of credit markets.

Towards the end of the quarter June was a less eventful month for financial markets than April and May, with lower volatility and tightening credit spreads. Rates did move higher following sticky inflation prints, hawkish central bank sentiment and data that continues to look generally strong despite some uncertainty. Risk assets were overall well behaved however, with spread tightening and income making up for the rates sell-off within most corporate debt asset classes. While the Fed paused its rate hikes, it kept sentiment hawkish and signalled further rate hikes to come. The ECB hiked in line with expectations, while the BoE effected a higher than expected hike of 50bps after UK inflation continued to surprise to the upside, being the highest in the G7.

Higher rates for longer was the main rhetoric from central banks across the major developed markets in Q3. Labour and manufacturing economic data outperformed expectations in the United States whilst the Federal Reserve (Fed) opted to only hike rates once during the quarter. In contrast, the European Central Bank (ECB) raised policy rates in July and September, reaching a deposit rate of 4% for the first time in its history. European inflation has been stubbornly entrenched above the ECB's target range but has been on a negative trajectory this year. The Bank of England enacted a 25 basis point hike amidst indications of improving consumer confidence and high, but better than expected, inflation data.

The bond market sell off in the United States was the largest story of the third quarter. Yields on ten year treasury bonds briefly reached yields (4.69%) not seen since 2007. This has been attributed to markets accepting Fed Chair Jay Powell's claims that interest rates will remain elevated for a prolonged period of time. Fitch downgraded the US from AAA to AA+ due to growing government debt and expected fiscal deterioration over the next three years. Eurozone annual inflation fell to 4.3% by the end of the quarter and many market participants now expect that the ECB has completed its monetary tightening cycle.

The fourth quarter began with concerns over geopolitical risk following conflict breaking out in the Middle East and fears that this may spread into the wider region, which led to a risk off tone. The economic data continued to come in relatively strong, particularly from the US, adding to fears of higher rates for longer. November and December saw a major rally in markets off the back of fresh hopes of a soft landing and potential central bank cuts on the horizon. The rally was triggered initially by dovish tones from the FOMC meeting at the start of November, followed by the Fed's December dot plot which took investors by surprise with a far more dovish tone of 75bps of rate cuts being signalled for 2024. In turn, investors' expectations for inflation returning to target without a recession grew and this rhetoric was further supported by economic data through to year end.

## Investment review

Europe saw a similar story, with supportive data and ECB cuts being largely priced in by April 2024. Inflation continues to trend in the right direction, reflecting the decline in the money supply.

During the first quarter of 2024, higher US inflation prints and more hawkish comments from the Fed combined with the positive growth data for the US economy (+3.4% in Q4 23), provided a positive backdrop for risk assets, notably equities and high yield. Eurozone and UK inflation continued their downward trajectory, albeit the slower pace and renewed uncertainty of moving back to official target levels in the near term saw the market unwind some of the rate cut expectations. With inflation proving persistent, timing of initial cuts in official rates moved out from Q1 to mid-year.

Separately, March 2024 also saw two significant milestones: (i) the Bank of Japan ending their negative interest rate policy, and (ii) the Swiss National Bank being the first G10 currency to cut rates this cycle, with a 25bp cut in their policy rate to 1.50%. Overall yields remained historically high at the end of the sub-fund year, and the outlook for interest rates less certain in major economies.

### Portfolio activity

Early in the reporting period the market remained unsettled by the banking sector turbulence of March, which ultimately saw the takeover of Credit Suisse by UBS. In this environment bank debt cheapened, and the sub-fund added to risk in this area. The sub-fund manager increased exposure to senior financials which appeared attractive relative to non-financials, and selective Tier 2 bonds where spreads had decompressed relative to senior bonds.

The manager favoured European national champion banks, and those with a strong presence in their domestic markets, and included names such as Arion Banki, BFCM and Caixabank. The sub-fund also reduced risk through decreasing exposure to areas of the market which had performed well, including selective industrials and utilities, whilst increasing exposure to real estate names where valuations

appeared attractive given the underlying (mis)perception of their credit fundamentals. Against the prevailing backdrop of an expected recession, European interest rates remained at levels that we believed were not fully reflective of the risks; consequently we increased our exposure to Germany and Italy early in the reporting period.

As rates continued to rise in the US we maintained our exposure to short dated bonds as the yield curve inversion became more pronounced, shortening the duration of our US TIPS position in July. The sub-fund also added to exposure in Dollar-bloc government markets, adding to Canadian holdings and adding a small position in New Zealand bonds. During the summer months European debt markets remained relatively flat whilst US bonds sold off which was a small negative for performance. Credit spreads tightened marginally across markets, with the exception of European High Yield which saw a modest widening; overall credit gains outweighed the small drag from interest rate positioning.

In September markets refocused on interest rate and inflation expectations once again, and the manager added to positions in longer dated bonds in the UK, Australia and Germany. In the US, short maturity positions in US Treasuries were increased as the yield curve inversion offered a compelling opportunity. In credit markets the sub-fund focused on reducing exposure to higher beta areas of the market, which no longer offered sufficient compensation for risk. This primarily included high yield issuers, corporate hybrids and investment grade bonds. Financial bonds still remained a source of value compared to other sectors – particularly lower Tier 2 debt, where we purchased bonds issued by Uniqa Insurance Group, and in September the manager added selective Additional Tier 1 bonds issued by well-capitalised European Banks which traded at attractive levels, including LBBW, Deutsche Bank and Belfius Banque.

The final months of the year saw significant interest rate volatility, driven by the perception that US interest rates would fall aggressively in the new year, prompted by the dovish comments from Federal Reserve Chair



# Investment review

Powell, and reflected in the FOMC minutes published in December. The sub-fund was positioned to benefit from the rally, and gradually reduced interest rate exposures in major markets over the balance of the year and into the first quarter of the new year. Investment Grade credit performed strongly in this environment with spreads tightening, led by higher beta names, cyclicals, financials and BBB rate industrials. All in yields remained historically high, offering a positive real yield for investors. The sub-fund continued to steadily de-risk into the market strength as spreads tightened across sectors, particularly in the second half of the quarter. Opportunities were also added on a stock specific basis.

Overall, Financial bonds continued to remain a source of value compared to other sectors – predominantly European banking names. The sub-fund remained active in the primary market into year end, increasing exposure to selective names across sectors such as AIB, International Design Group (Consumer Goods), Tapestry (Retail), Sogecap (Insurance Tier 2) and Southern Water.

Moving into the new year, expectations of official interest rate reductions were steadily unwound, as central bankers sought to regain control of the narrative. Rising interest rate expectations were negative for interest rate positioning, but credit continued to benefit from tighter spreads and an attractively priced new issuance pipeline. The sub-fund continued to de-risk, taking profits in issuers and sectors that had delivered strong performance (such as Real Estate, high yield industrials and subordinated financials) and recycling proceeds into more liquid defensive assets. Specifically the manager reduced exposure to hybrid debt of real estate issuers such as Castellum, Unibail and Balder, subordinated debt of Allianz and Engie, as well as reducing exposure to broader industrials that had performed strongly.

At the end of the reporting period, the aggregate interest rate exposure of the sub-fund was marginally greater than at the start of the period, with UK gilt exposure accounting for the majority of the difference. Credit risk was reduced steadily though the final

months of the reporting period, ending towards the lower band of risk that we have experienced with this strategy; the sub-fund holdings of higher quality lower yielding defensive assets increased over the period, giving the sub-fund the ability to move rapidly to take advantage of future opportunities.

## Outlook

The sub-fund remains well positioned to capture opportunities that may arise from bond market volatility in both the interest rate and credit markets. The flexible opportunity set and global reach of the analyst team ensures that we have clear insight and visibility of issuer risks, and the highly diversified nature of the sub-fund minimises the impact of any unforeseen credit events. Looking forward, increased volatility in markets seems likely, with expected cuts in central bank official interest rates, and the inflation outlook in the major economies being the key variables. An active approach will be essential in this environment. From one side, the falling inflation environment has stalled and the strength of the economy (notably in the US) with buoyant growth and near full employment argues for no change in rates near term. However, in Europe, the risk of a recession remains elevated as growth falls in most key member countries. It is at these points of inflection that policy errors often occur: the sub-fund stands ready to take advantage of attractively priced credit opportunities and to benefit from short term volatility in the interest rate markets.

## Jim Leaviss, Richard Ryan and Eva Sun-Wai

Co-sub-fund managers

On 5 February 2024 Eva Sun-Wai was appointed co-sub-fund manager. Investment review information as at 31 March 2024.

Employees of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

# Investment review

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>186,034</b>	<b>75.14</b>
<b>Debt securities</b>					<b>186,377</b>	<b>75.28</b>
<b>'AAA' credit rated bonds</b>					<b>47,630</b>	<b>19.24</b>
African Development Bank 0.875%	2,380,000	€	24.05.2028		2,201	0.89
Alme Loan Funding IV FRN	150,342	€	15.01.2032		149	0.06
Anchorage Capital Europe CLO 8 FRN	200,000	€	25.07.2035		202	0.08
Arkéa Public Sector SCF 3.111%	300,000	€	28.02.2029		302	0.12
ASB Bank 0.625%	525,000	€	18.10.2024		516	0.21
Asian Development Bank 0%	2,575,000	€	24.10.2029		2,221	0.90
Australia (Commonwealth of) 1.75%	1,000,000	AU\$	21.06.2051		352	0.14
Avoca CLO XVII FRN	175,000	€	15.10.2032		173	0.07
Banco BPI 3.25%	100,000	€	22.03.2030		100	0.04
Bank of Nova Scotia FRN	640,000	£	14.03.2025		753	0.30
Bayerische Landesbank 1%	400,000	£	20.12.2024		454	0.18
Blackrock European CLO XII FRN	240,000	€	17.01.2035		237	0.10
BNG Bank 0.5%	800,000	€	26.11.2025		766	0.31
BNPP AM Euro CLO FRN	300,000	€	22.07.2032		296	0.12
Cairn CLO XIV FRN	360,000	€	29.10.2034		358	0.14
Caisse de Refinancement de l'Habitat 2.875%	500,000	€	25.03.2031		498	0.20
Canadian Imperial Bank of Commerce FRN	440,000	£	15.12.2025		519	0.21
Carlyle Euro CLO FRN	300,000	€	15.07.2034		296	0.12
CIFC European Funding CLO V FRN	530,000	€	23.11.2034		525	0.21
Commonwealth Bank of Australia FRN	410,000	£	16.01.2025		480	0.19
Crédit Agricole Home Loan 0.05%	600,000	€	06.12.2029		510	0.21
Crédit Mutuel Home Loan 3%	400,000	€	28.11.2030		402	0.16
Crédit Mutuel Home Loan SFH 0.125%	500,000	€	09.04.2025		483	0.20
DNB Boligkreditt 2.875%	370,000	€	12.03.2029		369	0.15
Dowson FRN	9,168	£	20.01.2029		11	0.00
European Bank for Reconstruction & Development FRN	290,000	£	20.11.2025		344	0.14
European Bank for Reconstruction & Development 1.5%	2,100,000	US\$	13.02.2025		1,886	0.76
European Investment Bank 2.75%	2,830,000	€	28.07.2028		2,834	1.14
Germany (Federal Republic of) 0%	5,820,000	€	05.04.2024		5,819	2.35

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
Germany (Federal Republic of) 0.5%	1,000,000	€	15.02.2025		976	0.39
Germany (Federal Republic of) 1.5%	1,455,000	€	15.05.2024		1,451	0.59
Germany (Federal Republic of) 1.8%	800,000	€	15.08.2053		690	0.28
Germany (Federal Republic of) 2.2%	500,000	€	15.02.2034		495	0.20
Germany (Federal Republic of) 2.5%	1,000,000	€	13.03.2025		992	0.40
Germany (Federal Republic of) I/L 0.1%	1,500,000	€	15.04.2026		1,834	0.74
Inter-American Development Bank FRN	2,470,000	US\$	04.10.2027		2,291	0.93
International Bank for Reconstruction & Development 0%	320,000	€	15.01.2027		296	0.12
International Bank for Reconstruction & Development 0.625%	2,080,000	€	22.11.2027		1,928	0.78
Kreditanstalt für Wiederaufbau 0%	1,575,000	€	15.09.2028		1,398	0.56
Kreditanstalt für Wiederaufbau 0.875%	760,000	£	15.09.2026		817	0.33
Lanebrook Mortgage Transaction FRN	179,399	£	20.08.2060		211	0.09
National Australia Bank FRN	445,000	£	04.02.2025		521	0.21
Nationale-Nederlanden Bank 0.5%	500,000	€	10.10.2024		492	0.20
Nationale-Nederlanden Bank 3.25%	500,000	€	28.05.2027		502	0.20
Netherlands (Kingdom of) 0.5%	315,000	€	15.07.2032		268	0.11
Netherlands (Kingdom of) 2.5%	300,000	€	15.07.2033		298	0.12
New Zealand (Kingdom of) 3.5%	2,500,000	NZD	14.04.2033		1,276	0.52
Nordea Kiinnitysluottopankki 3.5%	970,000	€	31.08.2026		977	0.39
North Westerly VII ESG CLO FRN	300,000	€	15.05.2034		296	0.12
Palmer Square European Loan Funding FRN	263,449	€	15.10.2031		261	0.11
Royal Bank of Canada FRN	445,000	£	03.10.2024		521	0.21
RRE 5 Loan Management FRN	325,000	€	15.01.2037		320	0.13
Santander UK 3%	310,000	€	12.03.2029		310	0.13
Sparebanken Vest Boligkreditt 0.01%	1,090,000	€	28.06.2027		988	0.40
Sumitomo Mitsui Banking 0.01%	545,000	€	10.09.2025		517	0.21
Toronto-Dominion Bank FRN	839,000	€	16.02.2027		840	0.34
Toronto-Dominion Bank 3.879%	555,000	€	13.03.2026		560	0.23
Tower Bridge Funding FRN	89,647	£	20.12.2063		105	0.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AAA' credit rated bonds</b> (continued)						
Trinitas Euro CLO VI FRN	520,000	€	15.04.2037		524	0.21
UBS Switzerland 3.304%	120,000	€	05.03.2029		121	0.05
Yorkshire Building Society 0.125%	500,000	€	08.05.2024		498	0.20
<b>'AA' credit rated bonds</b>					<b>31,481</b>	<b>12.71</b>
Austria (Republic of) 0.9%	272,000	€	20.02.2032		236	0.10
Belgium (Kingdom of) 0.35%	550,000	€	22.06.2032		453	0.18
BPER Banca 3.25%	146,000	€	22.01.2031		147	0.06
Caisse Française de Financement Local 3.125%	600,000	€	24.11.2033		606	0.25
Crédit Agricole Italia 3.5%	500,000	€	15.07.2033		512	0.21
France (Republic of) 1.75%	11,010,000	€	25.11.2024		10,880	4.39
France (Republic of) 2%	1,000,000	€	25.11.2032		943	0.38
France (Republic of) 2.25%	1,450,000	€	25.05.2024		1,447	0.58
France (Republic of) 3%	900,000	€	25.05.2054		849	0.34
Iccrea Banca 3.5%	133,000	€	04.03.2032		135	0.05
JPMorgan Chase FRN	85,000	US\$	14.06.2030		77	0.03
MassMutual Global Funding II 4.85%	420,000	US\$	17.01.2029		387	0.16
Metropolitan Life Global Funding I 3.75%	520,000	€	05.12.2030		534	0.22
NBN 4.375%	444,000	€	15.03.2033		475	0.19
New York Life Global Funding 3.45%	552,000	€	30.01.2031		556	0.22
SNCF Réseau 2.625%	1,700,000	€	29.12.2025		1,679	0.68
UK Gilt 3.5%	750,000	£	22.10.2025		864	0.35
UK Gilt 3.75%	700,000	£	22.07.2052		731	0.30
UK Gilt 3.75%	1,100,000	£	22.10.2053		1,143	0.46
UK Gilt 4.125%	980,000	£	29.01.2027		1,146	0.46
US Treasury Bond 3.375%	1,496,200	US\$	15.08.2042		1,196	0.48
US Treasury Bond I/L 0.625%	1,957,000	US\$	15.01.2026		2,286	0.92
US Treasury Note 0.875%	1,000,000	US\$	30.06.2026		855	0.35
US Treasury Note 2%	3,200,000	US\$	15.02.2025		2,888	1.17
US Treasury Note 4%	500,000	US\$	15.02.2034		456	0.18

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b>					<b>11,950</b>	<b>4.83</b>
Ageas FRN	400,000	€	02.07.2049		376	0.15
AIA Group FRN	130,000	€	09.09.2033		112	0.05
AIB Group FRN	160,000	€	23.10.2031		173	0.07
Allianz FRN	100,000	€	25.07.2053		111	0.04
Allianz FRN	400,000	€	31.12.2099		315	0.13
Arion Banki 7.25%	585,000	€	25.05.2026		616	0.25
AXA FRN	385,000	€	10.07.2042		324	0.13
AXA FRN	145,000	€	10.03.2043		145	0.06
Bank of America FRN	405,000	€	24.05.2032		341	0.14
BPCE FRN	500,000	US\$	19.07.2033		464	0.19
Clarion Funding 2.625%	205,000	£	18.01.2029		217	0.09
Coventry Building Society FRN	275,000	£	07.11.2027		332	0.13
Crédit Mutuel Arkéa 3.375%	300,000	€	11.03.2031		284	0.11
de Volksbank 4.875%	400,000	€	07.03.2030		420	0.17
East Japan Railway 4.11%	170,000	€	22.02.2043		178	0.07
Fifth Third Bank FRN	385,000	US\$	25.04.2033		326	0.13
Great-West Lifeco 4.7%	200,000	€	16.11.2029		213	0.09
Hannover Rück FRN	100,000	€	08.10.2040		87	0.03
Hannover Rück FRN	200,000	€	30.06.2042		164	0.07
Hannover Rück FRN	100,000	€	26.08.2043		113	0.05
Helvetia Europe FRN	765,000	€	30.09.2041		676	0.27
HSBC Holdings FRN	200,000	US\$	11.08.2033		184	0.07
JPMorgan Chase FRN	300,000	€	23.03.2030		280	0.11
Landesbank Hessen-Thüringen Girozentrale FRN	700,000	€	15.09.2032		666	0.27
Mitsubishi UFJ Financial Group FRN	200,000	€	07.06.2031		212	0.09
Morgan Stanley FRN	310,000	€	02.03.2029		321	0.13
Morgan Stanley FRN	320,000	€	25.01.2034		354	0.14
Münchener Rückversicherungs-Gesellschaft FRN	300,000	€	26.05.2042		240	0.10
Optivo Finance 2.857%	205,000	£	07.10.2035		190	0.08
Peabody Capital No. 2 2.75%	205,000	£	02.03.2034		197	0.08

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Prologis International Funding II 4.625%	315,000	€	21.02.2035		330	0.13
Skipton Building Society FRN	400,000	£	25.04.2029		473	0.19
Spain (Kingdom of) 1.9%	290,000	€	31.10.2052		199	0.08
Toronto-Dominion Bank 0.5%	400,000	€	18.01.2027		370	0.15
UBS Group FRN	300,000	€	17.03.2032		316	0.13
UBS Group FRN	385,000	€	02.04.2032		361	0.15
Vienna Insurance Group FRN	300,000	€	15.06.2042		305	0.12
Volvo Treasury 3.125%	274,000	€	08.09.2026		271	0.11
Yorkshire Building Society FRN	480,000	£	11.10.2030		509	0.21
Zurich Finance FRN	240,000	US\$	19.04.2051		185	0.07
<b>'BBB' credit rated bonds</b>					<b>51,450</b>	<b>20.78</b>
A1 Towers Holding 5.25%	100,000	€	13.07.2028		105	0.04
AA Bond 7.375%	100,000	£	31.07.2050		121	0.05
AA Bond 8.45%	100,000	£	31.07.2050		125	0.05
ABN AMRO Bank FRN	500,000	€	22.02.2033		513	0.21
ABN AMRO Bank 4.5%	100,000	€	21.11.2034		107	0.04
ACEF Holding 0.75%	470,000	€	14.06.2028		409	0.17
Achmea FRN	200,000	€	26.12.2043		223	0.09
Albemarle 5.05%	390,000	US\$	01.06.2032		347	0.14
Alstom 0%	100,000	€	11.01.2029		82	0.03
Arcadis 4.875%	331,000	€	28.02.2028		343	0.14
Argenta Spaarbank FRN	100,000	€	29.11.2027		103	0.04
Argenta Spaarbank FRN	400,000	€	08.02.2029		362	0.15
Arion Banki 0.375%	155,000	€	14.07.2025		147	0.06
Aroundtown FRN	540,000	£	31.12.2099		381	0.15
Aroundtown FRN	200,000	€	31.12.2099		120	0.05
Arqiva Financing 7.21%	100,000	£	30.06.2045		126	0.05
Ashtead Capital 4.25%	525,000	US\$	01.11.2029		453	0.18
ASR Nederland FRN	300,000	€	07.12.2043		346	0.14
ASR Nederland FRN	109,000	€	02.05.2049		103	0.04

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
ASTM 1.5%	395,000	€	25.01.2030		344	0.14
AT Securities FRN	250,000	US\$	31.12.2099		141	0.06
Australia Pacific Airports 4.375%	102,000	€	24.05.2033		107	0.04
Autostrade per l'Italia 4.25%	100,000	€	28.06.2032		100	0.04
Autostrade per l'Italia 4.75%	370,000	€	24.01.2031		386	0.16
Balder Finland 1%	210,000	€	20.01.2029		171	0.07
Bank of Ireland Group FRN	305,000	€	04.07.2031		325	0.13
Bankinter FRN	300,000	€	23.12.2032		271	0.11
Banque Fédérative du Crédit Mutuel FRN	500,000	€	16.06.2032		494	0.20
Barclays FRN	270,000	£	31.01.2031		329	0.13
Bayerische Landesbank FRN	500,000	€	23.09.2031		446	0.18
Bayerische Landesbank FRN	300,000	€	22.11.2032		259	0.10
Bazalgette Finance 2.75%	225,000	£	10.03.2034		216	0.09
Belfius Bank FRN	200,000	€	06.04.2034		172	0.07
BNP Paribas FRN	100,000	€	15.01.2032		92	0.04
BorgWarner 1%	690,000	€	19.05.2031		570	0.23
BPCE FRN	400,000	€	13.10.2046		329	0.13
Brambles Finance 4.25%	100,000	€	22.03.2031		105	0.04
Bureau Veritas 1.875%	200,000	€	06.01.2025		197	0.08
Capital One Financial 1.65%	515,000	€	12.06.2029		458	0.18
CBRE Global Investors Open-Ended Funds 0.9%	100,000	€	12.10.2029		85	0.03
CBRE Global Investors Open-Ended Funds 4.75%	266,000	€	27.03.2034		272	0.11
Celanese US Holdings 0.625%	440,000	€	10.09.2028		383	0.15
Celanese US Holdings 6.379%	220,000	US\$	15.07.2032		211	0.09
Charter Communications Operating Via Charter Communications Operating Capital 6.384%	464,000	US\$	23.10.2035		424	0.17
Citigroup FRN	405,000	US\$	24.05.2033		362	0.15
Commerzbank FRN	100,000	€	17.01.2031		102	0.04
Concentrix 6.85%	395,000	US\$	02.08.2033		364	0.15
Corning 4.125%	247,000	€	15.05.2031		254	0.10
CPI Property Group 1.625%	100,000	€	23.04.2027		85	0.03

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
CPI Property Group 1.75%	160,000	€	14.01.2030		117	0.05
CPUK Finance 3.588%	120,000	£	28.02.2042		137	0.06
CPUK Finance 6.136%	110,000	£	28.02.2047		132	0.05
Crédit Agricole FRN	200,000	€	31.12.2099		211	0.09
Crelan FRN	300,000	€	28.02.2030		321	0.13
Crelan FRN	200,000	€	23.01.2032		208	0.08
Daimler Truck Finance North America 2.5%	455,000	US\$	14.12.2031		350	0.14
Daimler Truck International Finance 3.875%	100,000	€	19.06.2029		102	0.04
Danone FRN	300,000	€	31.12.2099		276	0.11
Danske Bank FRN	210,000	€	15.05.2031		197	0.08
Dell International Via EMC 8.1%	345,000	US\$	15.07.2036		388	0.16
Deutsche Bank FRN	200,000	€	24.06.2032		194	0.08
Deutsche Pfandbriefbank 0.25%	100,000	€	27.10.2025		88	0.04
Deutsche Pfandbriefbank 7.625%	700,000	£	08.12.2025		787	0.32
Discovery Communications 6.35%	458,000	US\$	01.06.2040		416	0.17
DXC Technology 1.75%	395,000	€	15.01.2026		380	0.15
E.ON 1.625%	50,000	€	29.03.2031		45	0.02
Électricité de France 4.75%	500,000	€	12.10.2034		536	0.22
Ellevio 4.125%	238,000	€	07.03.2034		244	0.10
Enel FRN	745,000	€	31.12.2099		616	0.25
Engie 3.625%	200,000	€	06.03.2031		202	0.08
Erste Group Bank FRN	200,000	€	07.06.2033		197	0.08
Erste Group Bank FRN	600,000	€	31.12.2099		542	0.22
Ferrovie dello Stato Italiane 1.125%	805,000	€	09.07.2026		763	0.31
Fiserv 4.5%	450,000	€	24.05.2031		470	0.19
Ford Motor Credit 4.535%	360,000	£	06.03.2025		417	0.17
Fraport Frankfurt Airport Services Worldwide 1.875%	310,000	€	31.03.2028		290	0.12
Fresenius 2.875%	190,000	€	24.05.2030		182	0.07
GELF Bond Issuer I 1.125%	455,000	€	18.07.2029		391	0.16
Goldman Sachs Group FRN	165,000	US\$	24.02.2028		142	0.06

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# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Goldman Sachs Group 0.75%	100,000	€	23.03.2032		80	0.03
Grand City Properties FRN	200,000	€	31.12.2099		150	0.06
Harley-Davidson Financial Services 6.5%	390,000	US\$	10.03.2028		371	0.15
Heathrow Funding 1.125%	100,000	€	08.10.2032		86	0.03
HJ Heinz Finance UK 6.25%	50,000	£	18.02.2030		62	0.02
Holcim Finance Luxembourg 0.5%	140,000	€	23.04.2031		113	0.05
HSBC Holdings FRN	400,000	US\$	29.12.2049		369	0.15
HSBC Holdings FRN	240,000	£	31.12.2099		270	0.11
Iberdrola Finanzas FRN	100,000	€	31.12.2099		90	0.04
Iberdrola International FRN	300,000	€	31.12.2099		257	0.10
Iberdrola International FRN	100,000	€	31.12.2099		90	0.04
Iccrea Banca FRN	265,000	€	17.01.2027		258	0.10
Iccrea Banca FRN	315,000	€	05.02.2030		318	0.13
Inchcape 6.5%	320,000	£	09.06.2028		384	0.15
Indonesia (Republic of) 7.5%	2,640,000,000	IDR	15.06.2035		163	0.07
ING Groep FRN	100,000	€	26.05.2031		96	0.04
ING Groep FRN	400,000	US\$	31.12.2099		312	0.13
InterContinental Hotels Group 3.375%	175,000	£	08.10.2028		191	0.08
Intesa Sanpaolo FRN	200,000	US\$	21.11.2033		207	0.08
Islandsbanki 7.375%	300,000	€	17.05.2026		315	0.13
Italy (Republic of) 3.25%	330,000	€	01.03.2038		307	0.12
Italy (Republic of) 5.75%	275,000	€	01.02.2033		320	0.13
Jyske Bank 5.5%	360,000	€	16.11.2027		375	0.15
KBC Group FRN	700,000	€	07.12.2031		641	0.26
KeyBank 5%	485,000	US\$	26.01.2033		416	0.17
KeyCorp FRN	139,000	US\$	06.03.2035		131	0.05
Kommunalkredit Austria 5.25%	200,000	€	28.03.2029		204	0.08
Kyndryl Holdings 3.15%	485,000	US\$	15.10.2031		377	0.15
Kyndryl Holdings 6.35%	53,000	US\$	20.02.2034		50	0.02
Landesbank Baden-Württemberg FRN	400,000	€	31.12.2099		348	0.14

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Landesbank Baden-Württemberg 2.2%	300,000	€	09.05.2029		268	0.11
Landsbankinn 0.75%	565,000	€	25.05.2026		522	0.21
Landsbankinn 5%	243,000	€	13.05.2028		246	0.10
LEG Immobilien 0.75%	100,000	€	30.06.2031		80	0.03
Legal & General Group FRN	135,000	£	01.11.2050		147	0.06
Lloyds Banking Group FRN	260,000	£	15.12.2031		276	0.11
Lloyds Banking Group FRN	200,000	US\$	11.08.2033		178	0.07
Marks & Spencer 4.5%	490,000	£	10.07.2027		554	0.22
Mediobanca Banca di Credito Finanziario FRN	122,000	€	07.02.2029		126	0.05
Mexico (United Mexican States) 5%	30,000,000	MXN	06.03.2025		1,596	0.64
Mobico Group 4.875%	230,000	€	26.09.2031		228	0.09
Nasdaq 4.5%	100,000	€	15.02.2032		106	0.04
National Grid 4.275%	290,000	€	16.01.2035		299	0.12
Nationwide Building Society FRN	145,000	€	25.07.2029		144	0.06
NatWest Group FRN	465,000	€	14.09.2032		416	0.17
NIBC Bank 0.25%	400,000	€	09.09.2026		368	0.15
NN Group FRN	520,000	€	01.03.2043		540	0.22
Norddeutsche Landesbank-Girozentrale 6.25%	600,000	US\$	10.04.2024		556	0.22
Novo Banco FRN	200,000	€	08.03.2028		200	0.08
OCI 6.7%	500,000	US\$	16.03.2033		460	0.19
Pearson Funding 3.75%	410,000	£	04.06.2030		444	0.18
Peru (Republic of) 6.95%	463,000	PEN	12.08.2031		116	0.05
Peugeot Invest 1.875%	400,000	€	30.10.2026		378	0.15
PPG Industries 2.75%	295,000	€	01.06.2029		285	0.12
Principality Building Society 8.625%	330,000	£	12.07.2028		421	0.17
PVH 4.625%	42,000	US\$	10.07.2025		38	0.02
Raiffeisen Bank International FRN	100,000	€	12.03.2030		94	0.04
Raiffeisen Bank International FRN	500,000	€	17.06.2033		417	0.17
RCI Banque 3.75%	257,000	€	04.10.2027		257	0.10
RCI Banque 4.875%	45,000	€	14.06.2028		47	0.02

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Rothsay Life FRN	300,000	£	31.12.2099		270	0.11
Rothsay Life 7.734%	220,000	£	16.05.2033		279	0.11
Sagax 1%	175,000	€	17.05.2029		151	0.06
Santander UK Group Holdings FRN	668,000	€	25.08.2028		665	0.27
SATO 1.375%	228,000	€	24.02.2028		203	0.08
Severn Trent Utilities Finance 4%	182,000	€	05.03.2034		184	0.07
Signify 2.375%	435,000	€	11.05.2027		419	0.17
Société Générale FRN	200,000	£	22.01.2032		236	0.10
Société Générale FRN	315,000	US\$	15.06.2033		292	0.12
Sofina 1%	400,000	€	23.09.2028		352	0.14
Sogécap FRN	200,000	€	16.05.2044		223	0.09
Solvay 4.25%	100,000	€	03.10.2031		101	0.04
SSE FRN	215,000	€	31.12.2099		210	0.08
Stagecoach Group 4%	270,000	£	29.09.2025		306	0.12
Standard Chartered FRN	200,000	US\$	01.04.2031		178	0.07
Standard Chartered FRN	410,000	€	23.09.2031		375	0.15
Standard Chartered FRN	165,000	€	04.03.2032		166	0.07
Suez 5%	100,000	€	03.11.2032		109	0.04
SW Finance I 7.375%	125,000	£	12.12.2041		154	0.06
Swedbank FRN	300,000	€	23.08.2032		294	0.12
Swedbank FRN	130,000	£	15.11.2032		158	0.06
Swiss Re Finance UK FRN	300,000	€	04.06.2052		266	0.11
Tapestry 5.875%	310,000	€	27.11.2031		330	0.13
Teleperformance 5.75%	200,000	€	22.11.2031		210	0.08
Thames Water Utilities Finance 4%	150,000	€	18.04.2027		142	0.06
Thames Water Utilities Finance 4.375%	100,000	€	18.01.2031		93	0.04
Thames Water Utilities Finance 7.75%	122,000	£	30.04.2044		143	0.06
Travis Perkins 3.75%	430,000	£	17.02.2026		481	0.19
UNIQA Insurance Group FRN	400,000	€	09.12.2041		338	0.14
Upjohn Finance 1.908%	1,055,000	€	23.06.2032		889	0.36

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Verizon Communications 4.329%	190,000	US\$	21.09.2028		172	0.07
Virgin Money FRN	520,000	£	19.08.2031		564	0.23
Viterra Finance 5.25%	400,000	US\$	21.04.2032		365	0.15
Volkswagen International Finance FRN	500,000	€	31.12.2099		464	0.19
Volkswagen International Finance FRN	100,000	€	31.12.2099		95	0.04
Volkswagen International Finance FRN	200,000	€	31.12.2099		226	0.09
Vonovia 0.625%	200,000	€	24.03.2031		159	0.06
Warnermedia Holdings 5.141%	275,000	US\$	15.03.2052		211	0.09
Wendel 1.375%	400,000	€	18.01.2034		325	0.13
Westlake Chemical 1.625%	460,000	€	17.07.2029		413	0.17
Westpac Banking FRN	475,000	€	13.05.2031		440	0.18
Whitbread Group 2.375%	325,000	£	31.05.2027		347	0.14
Worldline 4.125%	300,000	€	12.09.2028		296	0.12
Yara International 7.378%	85,000	US\$	14.11.2032		87	0.04
<b>'BB' credit rated bonds</b>					<b>32,175</b>	<b>13.00</b>
Abertis Infraestructuras Finance FRN	600,000	€	31.12.2099		582	0.24
Adevinta 3%	180,000	€	15.11.2027		181	0.07
AIB Group FRN	405,000	€	31.12.2099		403	0.16
ams OSRAM 10.5%	276,000	€	30.03.2029		274	0.11
AT&T FRN	300,000	€	31.12.2099		293	0.12
Avantor Funding 3.875%	345,000	€	15.07.2028		336	0.14
Avis Budget Finance 7.25%	465,000	€	31.07.2030		465	0.19
B&M European Value Retail 4%	475,000	£	15.11.2028		518	0.21
B&M European Value Retail 8.125%	100,000	£	15.11.2030		126	0.05
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	31.12.2099		400	0.16
Banco BPM FRN	405,000	€	14.06.2028		427	0.17
Banco Comercial Português FRN	400,000	€	17.05.2032		386	0.16
Banco de Crédito Social Cooperativo FRN	400,000	€	14.09.2029		442	0.18
Banco de Sabadell FRN	600,000	€	16.08.2033		620	0.25
Banco de Sabadell 2.5%	200,000	€	15.04.2031		191	0.08

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Banco Santander FRN	400,000	€	31.12.2099		384	0.16
Bank of Ireland Group FRN	450,000	€	11.08.2031		421	0.17
Barclays FRN	200,000	£	31.12.2099		242	0.10
Belfius Bank FRN	400,000	€	31.12.2099		373	0.15
Benteler International 9.375%	465,000	€	15.05.2028		502	0.20
Brazil (Federal Republic of) 10%	1,000,000	BRL	01.01.2029		182	0.07
British Telecommunications FRN	325,000	£	20.12.2083		406	0.16
Caixa Económica Montepio Geral, Caixa Económica Bancária FRN	200,000	€	12.06.2034		206	0.08
CaixaBank FRN	400,000	€	31.12.2099		383	0.16
Castellum FRN	455,000	€	31.12.2099		403	0.16
CCO Holdings Via CCO Holdings Capital 4.5%	353,000	US\$	15.08.2030		275	0.11
Commerzbank FRN	500,000	€	29.12.2031		456	0.18
Commerzbank FRN	100,000	£	28.02.2033		125	0.05
Commerzbank FRN	100,000	€	05.10.2033		108	0.04
Co-operative Group Holdings 7.5%	220,000	£	08.07.2026		258	0.10
Coty 5.75%	123,000	€	15.09.2028		128	0.05
Coventry Building Society FRN	240,000	£	31.12.2099		280	0.11
CPI Property Group FRN	660,000	€	25.07.2028		339	0.14
CPI Property Group FRN	260,000	€	31.12.2099		156	0.06
Daily Mail & General Trust 6.375%	200,000	£	21.06.2027		224	0.09
Dana Financing Luxembourg 8.5%	400,000	€	15.07.2031		442	0.18
Deutsche Bank FRN	400,000	€	30.04.2027		346	0.14
DIRECTV Holdings Via DIRECTV Financing 5.875%	510,000	US\$	15.08.2027		448	0.18
EDP – Energias de Portugal FRN	500,000	€	14.03.2082		457	0.19
Encore Capital Group 5.375%	345,000	£	15.02.2026		396	0.16
Eurobank FRN	315,000	€	26.01.2029		344	0.14
Eurofins Scientific FRN	335,000	€	31.12.2099		325	0.13
Forvia 3.125%	100,000	€	15.06.2026		98	0.04
Forvia 3.75%	200,000	€	15.06.2028		195	0.08

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Grünenthal 4.125%	350,000	€	15.05.2028		340	0.14
GTCR W-2 Merger Sub Via GTCR W Dutch Finance Sub 8.5%	100,000	£	15.01.2031		126	0.05
Heimstaden Bostad FRN	630,000	€	31.12.2099		376	0.15
Heimstaden Bostad FRN	415,000	€	31.12.2099		252	0.10
Iliad 5.375%	200,000	€	14.06.2027		204	0.08
Iliad 5.375%	300,000	€	15.02.2029		306	0.12
Intesa Sanpaolo FRN	800,000	US\$	01.06.2032		621	0.25
Intesa Sanpaolo Vita FRN	200,000	€	31.12.2049		200	0.08
Intrum 3.5%	255,000	€	15.07.2026		166	0.07
Intrum 4.875%	135,000	€	15.08.2025		102	0.04
IQVIA 2.25%	330,000	€	15.03.2029		298	0.12
Julius Baer Group FRN	200,000	€	31.12.2099		193	0.08
Kennedy Wilson Europe Real Estate 3.25%	400,000	€	12.11.2025		377	0.15
Koninklijke KPN FRN	300,000	€	31.12.2099		294	0.12
LeasePlan FRN	430,000	€	31.12.2099		431	0.17
Liberty Mutual Group FRN	125,000	€	23.05.2059		125	0.05
Mahle 2.375%	600,000	€	14.05.2028		526	0.21
Millicom International Cellular 4.5%	565,000	US\$	27.04.2031		450	0.18
Mobico Group FRN	235,000	£	31.12.2099		253	0.10
MPT Operating Partnership Via MPT Finance 0.993%	775,000	€	15.10.2026		622	0.25
National Bank of Greece FRN	195,000	€	03.01.2034		213	0.09
Nationwide Building Society FRN	400,000	£	31.12.2099		464	0.19
Nomad Foods Bondco 2.5%	505,000	€	24.06.2028		472	0.19
Novo Banco FRN	300,000	€	01.12.2033		348	0.14
Organon & Co Via Organon Foreign Debt Co- Issuer 2.875%	305,000	€	30.04.2028		284	0.12
Ørsted FRN	530,000	€	31.12.2099		422	0.17
Ørsted FRN	100,000	€	31.12.2099		100	0.04
Paprec Holding 3.5%	420,000	€	01.07.2028		401	0.16

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Paprec Holding 6.5%	113,000	€	17.11.2027		119	0.05
Paramount Global FRN	481,000	US\$	30.03.2062		412	0.17
Permanent TSB Group Holdings FRN	100,000	€	25.04.2028		106	0.04
Permanent TSB Group Holdings FRN	300,000	€	30.06.2029		326	0.13
Permanent TSB Group Holdings FRN	320,000	€	19.08.2031		303	0.12
Pinewood Finance 3.625%	400,000	£	15.11.2027		439	0.18
Piraeus Bank FRN	136,000	€	05.12.2029		146	0.06
Raiffeisen Bank International FRN	200,000	€	31.12.2099		198	0.08
RCI Banque FRN	400,000	€	18.02.2030		392	0.16
Sappi Papier Holding 3.625%	120,000	€	15.03.2028		116	0.05
Schaeffler 4.5%	100,000	€	28.03.2030		100	0.04
Schaeffler 4.75%	200,000	€	14.08.2029		204	0.08
SES FRN	525,000	€	31.12.2099		498	0.20
Société Générale FRN	200,000	US\$	31.12.2099		168	0.07
Telefónica Europe FRN	100,000	€	31.12.2099		94	0.04
Telefónica Europe FRN	300,000	€	31.12.2099		311	0.13
Telefónica Europe FRN	100,000	€	31.12.2099		108	0.04
Teva Pharmaceutical Finance Netherlands II 7.375%	245,000	€	15.09.2029		272	0.11
TI Automotive Finance 3.75%	655,000	€	15.04.2029		616	0.25
Triodos Bank FRN	1,100,000	€	05.02.2032		910	0.37
Unicaja Banco FRN	300,000	€	15.11.2027		321	0.13
Unicaja Banco FRN	300,000	€	11.09.2028		319	0.13
UniCredit FRN	430,000	€	15.01.2032		409	0.17
UniCredit FRN	200,000	US\$	03.04.2049		186	0.08
UniCredit FRN	260,000	€	31.12.2099		257	0.10
Valeo 5.375%	500,000	€	28.05.2027		518	0.21
Virgin Money FRN	200,000	£	31.12.2099		236	0.10
Vodafone Group FRN	250,000	€	27.08.2080		226	0.09
Vodafone Group FRN	280,000	£	30.08.2086		353	0.14

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b>					<b>9,476</b>	<b>3.83</b>
AA Bond 6.5%	335,000	£	31.01.2026		390	0.16
Banco de Crédito Social Cooperativo FRN	400,000	€	27.11.2031		386	0.16
Catalent Pharma Solutions 2.375%	350,000	€	01.03.2028		333	0.13
Cheplapharm Arzneimittel 7.5%	280,000	€	15.05.2030		296	0.12
CPUK Finance 4.5%	120,000	£	28.08.2027		128	0.05
Cullinan Holdco 4.625%	300,000	€	15.10.2026		270	0.11
Deuce FinCo 5.5%	450,000	£	15.06.2027		500	0.20
Energizer Gamma Acquisition 3.5%	580,000	€	30.06.2029		518	0.21
Herbalife Nutrition Via HLF Financing 7.875%	450,000	US\$	01.09.2025		418	0.17
Iceland Bondco 10.875%	425,000	£	15.12.2027		526	0.21
International Design Group 10%	340,000	€	15.11.2028		354	0.14
IPD 3 8%	369,000	€	15.06.2028		392	0.16
Italmatch Chemicals 10%	300,000	€	06.02.2028		318	0.13
Monitchem HoldCo 3 8.75%	255,000	€	01.05.2028		259	0.10
Multiversity FRN	450,000	€	30.10.2028		452	0.18
Nidda Healthcare Holding 7.5%	510,000	€	21.08.2026		527	0.21
Ocado Group 3.875%	275,000	£	08.10.2026		290	0.12
Olympus Water US Holding 9.625%	410,000	€	15.11.2028		441	0.18
Rakuten Group FRN	215,000	€	31.12.2099		169	0.07
Spectrum Brands 4%	250,000	€	01.10.2026		248	0.10
Summer (BC) Holdco B 5.75%	425,000	€	31.10.2026		418	0.17
Sunnova Energy 5.875%	610,000	US\$	01.09.2026		442	0.18
Verisure Holding 7.125%	100,000	€	01.02.2028		105	0.04
Verisure Holding 9.25%	100,000	€	15.10.2027		107	0.04
Vmed O2 UK Financing I 4%	550,000	£	31.01.2029		567	0.23
VZ Vendor Financing II 2.875%	560,000	€	15.01.2029		485	0.20
WEPA Hygieneprodukte 5.625%	136,000	€	15.01.2031		137	0.06
<b>'CCC' credit rated bonds</b>					<b>1,607</b>	<b>0.65</b>
Casino Guichard Perrachon 6.625%	320,000	€	15.01.2026		4	0.00
Midco 7.75%	425,000	€	01.11.2027		433	0.17

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## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'CCC' credit rated bonds</b> (continued)						
SBB Treasury 1.125%	200,000	€	26.11.2029		115	0.05
Thames Water Kemble Finance 4.625%	715,000	£	19.05.2026		146	0.06
Triton Water Holdings 6.25%	495,000	US\$	01.04.2029		418	0.17
WP/AP Telecom Holdings III 5.5%	530,000	€	15.01.2030		491	0.20
<b>'C' credit rated bonds</b>					<b>606</b>	<b>0.24</b>
Samhällsbyggnadsbolaget i Norden FRN	804,000	€	31.12.2099		195	0.08
Samhällsbyggnadsbolaget i Norden FRN	685,000	€	31.12.2099		163	0.06
Samhällsbyggnadsbolaget i Norden FRN	1,011,000	€	31.12.2099		248	0.10
<b>Bonds with no credit rating</b>						
Casino Guichard Perrachon 5.25%	200,000	€	15.04.2027		<b>2</b>	<b>0.00</b>
<b>Debt derivatives</b>					<b>(343)</b>	<b>(0.14)</b>
<b>Interest rate futures</b>					<b>(343)</b>	<b>(0.14)</b>
Deutscher Bobl 5 year Futures	(348)	€	06.06.2024	344	(122)	(0.05)
Deutscher Bund 10 year Futures	(130)	€	06.06.2024	130	(140)	(0.06)
Deutscher Buxl 30 year Futures	3	€	06.06.2024	2	9	0.00
Deutscher Schatz 2 year Futures	(184)	€	06.06.2024	183	2	0.00
Euro OAT Futures	11	€	06.06.2024	11	7	0.00
Euro-Bono SP Gov Futures	6	€	06.06.2024	6	9	0.00
US Treasury Notes 10 year Futures	(75)	US\$	18.06.2024	70	(8)	0.00
US Treasury Notes 30 year Futures	16	US\$	18.06.2024	15	11	0.01
US Ultra Bond Futures	2	US\$	18.06.2024	2	0	0.00
Canada Government Bonds 10 year Futures	9	CA\$	19.06.2024	6	0	0.00
UK Treasury Notes Futures	(37)	£	26.06.2024	44	(102)	(0.04)
US Treasury Notes 2 year Futures	29	US\$	28.06.2024	54	(8)	0.00
US Treasury Notes 5 year Futures	(20)	US\$	28.06.2024	19	(1)	0.00
<b>Currency</b>					<b>(345)</b>	<b>(0.13)</b>
<b>Forward currency contracts</b>					<b>(345)</b>	<b>(0.13)</b>
Bought for AU\$ 15,698.26, Sold for € 9,458.23			03.04.2024	9	0	0.00
Bought for CA\$ 7,099.38, Sold for € 4,824.58			03.04.2024	4	0	0.00
Bought for € 358,284.91, Sold for AU\$ 596,041.29			03.04.2024	359	0	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Currency (continued)</b>						
<b>Forward currency contracts (continued)</b>						
Bought for € 62,195.63, Sold for CA\$ 91,586.90			03.04.2024	63	0	0.00
Bought for € 4,247,842.14, Sold for £ 3,639,209.06			03.04.2024	4,256	(8)	0.00
Bought for € 1,569,501.16, Sold for MXN 29,113,064.75			03.04.2024	1,628	(59)	(0.02)
Bought for € 1,299,858.42, Sold for NZD 2,312,059.94			03.04.2024	1,278	21	0.01
Bought for € 7,658,476.25, Sold for US\$ 8,325,239.01			03.04.2024	7,720	(60)	(0.02)
Bought for £ 42,874.47, Sold for € 50,169.53			03.04.2024	50	0	0.00
Bought for MXN 637,964.97, Sold for € 34,547.05			03.04.2024	36	1	0.00
Bought for US\$ 89,014.98, Sold for € 81,686.43			03.04.2024	82	1	0.00
Bought for € 25,451,119.40, Sold for £ 21,756,036.81			11.04.2024	25,444	14	0.01
Bought for € 20,189,251.61, Sold for US\$ 22,059,912.72			11.04.2024	20,455	(260)	(0.11)
Bought for £ 1,541,913.00, Sold for € 1,802,944.72			11.04.2024	1,803	1	0.00
Bought for US\$ 2,306,901.42, Sold for € 2,127,830.60			11.04.2024	2,139	10	0.00
Bought for € 707,685.49, Sold for US\$ 769,896.69			30.04.2024	714	(6)	0.00
Bought for PEN 29,770.00, Sold for US\$ 7,857.25			30.04.2024	15	0	0.00
Bought for US\$ 203,644.33, Sold for BRL 1,010,536.00			30.04.2024	377	2	0.00
Bought for US\$ 178,481.84, Sold for IDR 2,832,717,799.00			30.04.2024	332	0	0.00
Bought for US\$ 132,243.27, Sold for PEN 499,495.00			30.04.2024	247	(2)	0.00
Bought for £ 106,143.76, Sold for € 123,983.38			02.05.2024	124	0	0.00
<b>Portfolio of investments</b>					<b>185,689</b>	<b>75.01</b>
<b>Cash equivalents</b>					<b>22,099</b>	<b>8.93</b>
<b>'AAA' rated money market funds</b>					<b>22,099</b>	<b>8.93</b>
BlackRock ICS Euro Liquidity Fund – Euro Premier Shares (Distributing)	205,495	€			21,052	8.51
Morgan Stanley Liquidity Funds – Euro Liquidity Fund Class 'D'	103	€			1,047	0.42
<b>Share class hedging</b>					<b>0</b>	<b>0.00</b>
Bought for US\$ 93,946.13, Sold for € 86,639.31			24.04.2024	87	0	0.00
<b>Total portfolio</b>					<b>207,788</b>	<b>83.94</b>
Net other assets/(liabilities)					39,797	16.06
<b>Net assets</b>					<b>247,585</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Debt securities	186,377	75.28
Unrealised gains on futures contracts	38	0.01
Unrealised gains on forward currency contracts	50	0.02
<b>Total Investment assets</b>	<b>186,465</b>	<b>75.31</b>
<b>Investment liabilities</b>		
Unrealised losses on futures contracts	(381)	(0.15)
Unrealised losses on forward currency contracts	(395)	(0.15)
<b>Total Investment liabilities</b>	<b>(776)</b>	<b>(0.30)</b>
<b>Total portfolio</b>	<b>185,689</b>	<b>75.01</b>
<b>Cash equivalents</b>	<b>22,099</b>	<b>8.93</b>
<b>Net other assets/(liabilities)</b>	<b>39,797</b>	<b>16.06</b>
<b>Net assets</b>	<b>247,585</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	38
Goldman Sachs International	2	0
HSBC Bank Plc	16	0
JPMorgan London	1	0
National Australia Bank Ltd	11	0
State Street Bank and Trust Company, London Branch	21	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'P' Accumulation	+7.8	n/a	n/a	+4.0	24.02.22
Class 'P' Distribution	+7.8	n/a	n/a	+4.0	24.02.22
Class 'P2' Accumulation	+7.8	n/a	n/a	+7.4	27.09.22
Class 'U' Accumulation	+8.4	n/a	n/a	+4.6	24.02.22
Class 'U' Distribution	+8.4	n/a	n/a	+4.6	24.02.22
Class 'UI' Accumulation	+8.5	n/a	n/a	+4.6	24.02.22
Class 'UI' Distribution	+8.5	n/a	n/a	+4.6	24.02.22
Class 'W' Accumulation	+8.3	n/a	n/a	+8.0	27.09.22
Class 'WI' Accumulation	+8.4	n/a	n/a	+8.0	27.09.22
<b>US dollar</b>					
Class 'P2-H' Accumulation	n/a	n/a	n/a	+9.3 <sup>a</sup>	02.05.23
Class 'W-H' Accumulation	n/a	n/a	n/a	+9.9 <sup>a</sup>	02.05.23
Class 'WI-H' Accumulation	n/a	n/a	n/a	+9.9 <sup>a</sup>	02.05.23

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'P' Accumulation	5,354,948.786	10.8507	10.0642	10.0789	1.11
Class 'P' Distribution	579,260.145	10.2660	9.8630	10.0789	1.11
Class 'P2' Accumulation	1,000.000	11.1427	10.3360	n/a	1.11
Class 'U' Accumulation	8,273.028	10.9798	10.1259	10.0847	0.53
Class 'U' Distribution	1,001.000	10.3912	9.9252	10.0846	0.53
Class 'UI' Accumulation	16,346,473.080	10.9921	10.1328	10.0849	0.49
Class 'UI' Distribution	1,003.000	10.3996	9.9293	10.0850	0.49
Class 'W' Accumulation	1,001.000	11.2273	10.3625	n/a	0.60
Class 'WI' Accumulation	322,988.000	11.2375	10.3664	n/a	0.56
<b>US dollar</b>		US\$	US\$	US\$	
Class 'P2-H' Accumulation	2,000.000	10.9311	n/a	n/a	1.13
Class 'W-H' Accumulation	2,001.000	10.9859	n/a	n/a	0.62
Class 'WI-H' Accumulation	4,600.000	10.9910	n/a	n/a	0.58

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24	31.03.23	31.03.22
	€'000	€'000	€'000
Net assets	247,585	130,662	15,682
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>247,585</b>	<b>130,662</b>	<b>15,682</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

The sub-fund delivered a positive return but lagged its benchmark, the Morningstar EUR Aggressive Allocation – Global sector, which returned 6.40% over the period. As the sub-fund launched in December 2021, it is less than five years old and we therefore cannot report on volatility over five years.

Global markets recorded positive returns over the review period with much of the performance delivered in the latter part of 2023. In the earlier part of the review period, most asset classes were dragged down by concerns over the impact of high interest rates before signs of moderating inflation led to a strong rebound at the end of the year. Equities and bonds rebounded on optimism that peak interest rates had been reached and that rate cuts would come sooner than originally predicted. Early in the new year, however, investors scaled back hopes of imminent rate cuts as various data releases continued to suggest economic resilience in the US. Government bonds weakened in response. In contrast, corporate bonds and equities continued to record solid returns, buoyed by good corporate earnings results and optimism that global central banks had engineered a soft economic landing. Elsewhere, infrastructure assets, particularly those linked to renewable energy, performed poorly on concerns around the impact of high interest rates on long-term project cash flows.

Against this backdrop, the sub-fund's large allocation to US equity markets was the best contributor to returns. Exposure to credit also delivered a positive contribution while smaller allocations to government bonds and infrastructure detracted from performance.

Turning to regional equity allocations, the three main US exposures – technology, financials and positive impact – delivered positive contributions. Within technology, the semi-conductor companies benefited from investor enthusiasm around developments in artificial intelligence, while the various positions in financials were relatively resilient amid the negative sentiment over interest rate rises. Conversely, the sub-fund's

positive impact stocks rebounded towards the end of the review period on the prospects of moderating interest rates. In Europe, stock selection was particularly strong in Germany which helped mitigate the exposure to clean energy companies which suffered over concerns around the impact of rising costs versus capital-intensive projects with long lead times. Turning to Asia ex-Japan, allocation to Taiwanese stocks helped mitigate exposure to weak Hong Kong markets. The sub-fund's more modest exposure to Japan also contributed to total returns.

Within corporate bonds, high yield credit remained relatively resilient during the anxiety around the impact of high interest rates, but participated in the market rebound and the optimism over improved prospects for global economic growth. Investment grade credit was also positive. By contrast, both developed and emerging government bond markets detracted from total returns. Markets were dragged down by the aggressive rate hiking cycle before selling off again during the first quarter of 2024 on disappointment that interest rate cuts were not as forthcoming as originally hoped. The sub-fund's exposure to interest rate-sensitive renewables infrastructure assets also hurt performance.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

Beyond periodic portfolio rebalancing, we made little change to asset allocation over the review period, with the majority of the sub-fund remaining exposed to equities. We did, however, slightly increase our sovereign bond exposure, mainly through UK government bonds (gilts), as markets looked oversold last year. Also in the earlier part of the review period, we took partial profits from our Colombian green sovereign bond position and reduced our Japanese equity overweight down to a neutral position following a relative valuation decision. Towards the end of 2023, we trimmed equity risk mainly through European banks and other financials. The market rally at the end of the year



## Investment review

prompted us to sell some of our exposure to longer-dated US government bonds. Early in 2024, we deployed these proceeds into new positions in positive impact names such as EDP Renovaveis, Enphase and Vestas which were trading at attractive levels.

### Outlook

Given the elevated volatility, continued conflict in the Middle East and an election year for multiple countries, we remain highly selective, focusing on companies with robust cashflows, strong balance sheets and trading at conservative valuations.

An area that we feel is becoming increasingly attractive is renewable energy, which suffered last year on concerns around inflation implications for long-term project economics and the potential impact of 2024 elections on government policies that currently support this space. So far this year, however, we have seen inflation levels moderate and renewable energy companies begin to negotiate inflation-linked contracts to help manage rising costs and high levels of borrowing against long project lead times. Meanwhile, governments across the world have continued to be supportive of green investments given the ambitious targets around national decarbonisation goals. As a result, we believe valuations among renewables now provide a good margin of safety, but recognise that sentiment for the sector may remain volatile as almost 60% of the world's democratic population heads for the polls this year.

### Maria Municchi

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 9 fund under SFDR. Information related to the sustainable investments of the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities</b>					<b>122,864</b>	<b>77.13</b>
<b>United Kingdom</b>					<b>12,680</b>	<b>7.96</b>
Barratt Developments	199,065	£			1,111	0.70
Ceres Power Holdings	312,854	£			522	0.33
DS Smith	402,628	£			1,864	1.17
Greencoat UK Wind	1,709,468	£			2,770	1.74
Helios Towers	1,121,846	£			1,248	0.78
Home REIT <sup>a</sup>	3,646,453	£			606	0.38
Marks & Spencer Group	363,978	£			1,125	0.71
Octopus Renewables Infrastructure Trust	3,008,799	£			2,523	1.58
WPP	103,990	£			911	0.57
<b>Denmark</b>					<b>5,045</b>	<b>3.17</b>
ALK-Abello	81,453	DKK			1,352	0.85
Novo Nordisk 'B'	13,657	DKK			1,619	1.02
Ørsted	19,125	DKK			987	0.62
Vestas Wind Systems	42,171	DKK			1,087	0.68
<b>France</b>					<b>5,902</b>	<b>3.71</b>
Capgemini	6,966	€			1,489	0.94
Danone	25,863	€			1,547	0.97
L'Oreal	3,135	€			1,374	0.86
Schneider Electric	7,106	€			1,492	0.94
<b>Germany</b>					<b>5,821</b>	<b>3.65</b>
Allianz	5,893	€			1,632	1.02
Bayerische Motoren Werke	14,854	€			1,586	0.99
Fresenius Medical Care	28,422	€			1,017	0.64
SAP	8,748	€			1,586	1.00
<b>Guernsey</b>						
Renewables Infrastructure Group	2,340,305	£			<b>2,748</b>	<b>1.73</b>
<b>Ireland</b>					<b>4,065</b>	<b>2.55</b>
Greencoat Renewables	2,886,494	€			2,514	1.58
Johnson Controls International	25,800	US\$			1,551	0.97
<b>Italy</b>					<b>3,192</b>	<b>2.00</b>
Assicurazioni Generali	74,918	€			1,769	1.11

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Italy (continued)</b>						
Terna – Rete Elettrica Nazionale	184,940	€			1,423	0.89
<b>Netherlands (The)</b>						
ING Groep	99,609	€			<b>1,514</b>	<b>0.95</b>
<b>Spain</b>						
Amadeus IT Group	23,875	€			1,433	0.90
EDP Renovaveis	100,367	€			1,267	0.79
Telefónica	660,361	€			2,718	1.71
<b>United States</b>						
Agilent Technologies	11,682	US\$			1,597	1.00
Alphabet 'A'	10,927	US\$			1,529	0.96
American Express	6,659	US\$			1,405	0.88
AMERISAFE	28,156	US\$			1,296	0.81
Ansys	3,316	US\$			1,069	0.67
Apple	8,456	US\$			1,354	0.85
Autodesk	5,364	US\$			1,298	0.82
Ball	25,001	US\$			1,560	0.98
Bank of New York Mellon	30,885	US\$			1,630	1.02
Becton Dickinson	5,720	US\$			1,274	0.80
Bright Horizons Family Solutions	15,718	US\$			1,644	1.03
CBRE Group 'A'	16,062	US\$			1,440	0.90
Cisco Systems Delaware	24,892	US\$			1,148	0.72
eBay	31,728	US\$			1,528	0.96
Enphase Energy	14,151	US\$			1,568	0.99
Hannon Armstrong Sustainable Infrastructure Capital	48,045	US\$			1,247	0.78
Illumina	7,637	US\$			979	0.62
Intel	27,606	US\$			1,115	0.70
Kellogg	24,033	US\$			1,257	0.79
Lam Research	2,114	US\$			1,884	1.18
Microsoft	3,981	US\$			1,556	0.98
ON Semiconductor	18,559	US\$			1,296	0.81
PNC Financial Services Group	11,477	US\$			1,701	1.07

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
Procter & Gamble	9,523	US\$			1,435	0.90
Quest Diagnostics	10,727	US\$			1,303	0.82
Republic Services	8,904	US\$			1,581	0.99
Thermo Fisher Scientific	2,636	US\$			1,411	0.89
UnitedHealth Group	2,969	US\$			1,358	0.85
Verizon Communications	32,625	US\$			1,259	0.79
Visa 'A'	5,509	US\$			1,426	0.90
WK Kellogg	6,008	US\$			105	0.07
Xylem	11,081	US\$			1,329	0.83
<b>Canada</b>						
Boralex 'A'	62,044	CA\$			<b>1,204</b>	<b>0.76</b>
<b>Brazil</b>						
AES Brasil Energia	665,504	BRL			<b>1,263</b>	<b>0.79</b>
<b>Japan</b>						
Dai-ichi Life Holdings	40,100	¥			947	0.60
Hitachi	9,100	¥			768	0.48
Horiba	14,800	¥			1,418	0.89
Katitas	105,100	¥			1,268	0.80
Panasonic Holdings	78,400	¥			691	0.43
Sony Group	7,500	¥			594	0.37
Takeda Pharmaceutical	45,900	¥			1,183	0.74
<b>Australia</b>						
Brambles	164,858	AU\$			1,602	1.01
Cochlear	7,131	AU\$			1,449	0.91
<b>China</b>						
Lenovo Group	1,250,000	HK\$			1,343	0.84
Ping An Insurance Group of China 'H'	418,000	HK\$			1,634	1.03
<b>Hong Kong</b>						
AIA Group	295,200	HK\$			1,836	1.15
Hong Kong Exchanges & Clearing	60,100	HK\$			1,620	1.02
Swire Properties	778,600	HK\$			1,516	0.95

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Equities (continued)</b>						
<b>Indonesia</b>						
Bank Rakyat Indonesia	3,599,100	IDR			<b>1,276</b>	<b>0.80</b>
<b>India</b>						
HDFC Bank ADR	25,523	US\$			<b>1,321</b>	<b>0.83</b>
<b>South Korea</b>						
Samsung Electronics	26,434	KRW			<b>1,472</b>	<b>0.92</b>
<b>Taiwan</b>						
ASE Technology Holding	368,000	TW\$			1,650	1.04
Cathay Financial Holding	1,122,356	TW\$			1,567	0.98
E.Sun Financial Holding	1,865,399	TW\$			1,466	0.92
Taiwan Semiconductor Manufacturing	71,000	TW\$			1,583	0.99
<b>Georgia</b>						
Bank of Georgia Group	32,347	£			<b>1,899</b>	<b>1.19</b>
<b>Israel</b>						
SolarEdge Technologies	5,072	US\$			<b>327</b>	<b>0.21</b>
<b>Fixed income</b>					<b>31,472</b>	<b>19.76</b>
<b>Supranational</b>					<b>9,164</b>	<b>5.75</b>
<b>Investment grade corporate bonds</b>					<b>9,164</b>	<b>5.75</b>
European Bank for Reconstruction & Development 4.25%	8,900,000,000	IDR	07.02.2028		489	0.31
European Investment Bank 0%	26,170,000	ZAR	18.10.2032		544	0.34
European Investment Bank 3.75%	2,042,000	US\$	14.02.2033		1,814	1.14
Inter-American Development Bank 4.375%	2,207,000	US\$	24.01.2044		1,953	1.22
Inter-American Development Bank 5.1%	8,710,000,000	IDR	17.11.2026		498	0.31
International Bank for Reconstruction & Development 0.75%	2,053,000	US\$	26.08.2030		1,523	0.96
International Bank for Reconstruction & Development 4.25%	19,050,000	MXN	22.01.2026		967	0.61
International Bank for Reconstruction & Development 5%	5,300,000	BRL	22.01.2026		927	0.58
International Bank for Reconstruction & Development 6.85%	40,500,000	INR	24.04.2028		449	0.28

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>United Kingdom</b>					<b>3,476</b>	<b>2.18</b>
<b>Government bonds</b>					<b>3,110</b>	<b>1.95</b>
UK Gilt 0.875%	2,346,001	£	31.07.2033		2,098	1.32
UK Gilt 1.5%	1,648,361	£	31.07.2053		1,012	0.63
<b>Below investment grade corporate bonds</b>						
Vodafone Group 0.9%	388,000	€	24.11.2026		366	0.23
<b>Belgium</b>						
<b>Investment grade corporate bonds</b>						
KBC Group FRN	500,000	€	01.03.2027		470	0.29
<b>France</b>					<b>1,350</b>	<b>0.85</b>
<b>Investment grade corporate bonds</b>						
Société Générale FRN	500,000	€	22.09.2028		454	0.29
<b>Below investment grade corporate bonds</b>					<b>896</b>	<b>0.56</b>
Électricité de France 3.625%	356,000	US\$	13.10.2025		322	0.20
Renault 1%	282,000	€	28.11.2025		270	0.17
Unibail-Rodamco-Westfield 4.125%	300,000	€	11.12.2030		304	0.19
<b>Germany</b>					<b>10,523</b>	<b>6.61</b>
<b>Government bonds</b>					<b>9,909</b>	<b>6.22</b>
Germany (Federal Republic of) 0%	5,130,000	€	21.08.2024		5,058	3.17
Germany (Federal Republic of) 0%	2,013,999	€	15.08.2030		1,751	1.10
Germany (Federal Republic of) 1.8%	1,766,000	€	15.08.2053		1,524	0.96
Germany (Federal Republic of) 2.3%	1,572,000	€	15.02.2033		1,576	0.99
<b>Investment grade corporate bonds</b>						
Mercedes-Benz Group 0.75%	388,000	€	10.09.2030		338	0.21
<b>Below investment grade corporate bonds</b>						
ZF Finance 2.25%	300,000	€	03.05.2028		276	0.18
<b>Italy</b>					<b>795</b>	<b>0.50</b>
<b>Government bonds</b>						
Italy (Republic of) 4%	435,000	€	30.04.2035		447	0.28
<b>Below investment grade corporate bonds</b>						
Intesa Sanpaolo 4.75%	338,000	€	06.09.2027		348	0.22

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income (continued)</b>						
<b>Netherlands (The)</b>						
<b>Investment grade corporate bonds</b>						
ING Groep 2.5%	400,000	€	15.11.2030		<b>379</b>	<b>0.24</b>
<b>Portugal</b>						
<b>Below investment grade corporate bonds</b>						
EDP – Energias de Portugal 1.625%	400,000	€	15.04.2027		<b>380</b>	<b>0.24</b>
<b>Sweden</b>						
<b>Investment grade corporate bonds</b>						
Swedbank FRN	493,000	€	20.05.2027		<b>459</b>	<b>0.29</b>
<b>Below investment grade corporate bonds</b>						
Volvo Car 4.25%	342,000	€	31.05.2028		<b>344</b>	<b>0.21</b>
<b>United States</b>						
<b>Investment grade corporate bonds</b>						
Apple 0%	189,000	€	15.11.2025		179	0.11
Apple 3%	397,000	US\$	20.06.2027		351	0.22
Prologis 1.25%	487,000	US\$	15.10.2030		362	0.23
<b>Below investment grade corporate bonds</b>						
Ball 2.875%	501,000	US\$	15.08.2030		397	0.25
Boston Properties 2.55%	359,000	US\$	01.04.2032		263	0.17
Boston Properties 4.5%	399,000	US\$	01.12.2028		353	0.22
Xylem 1.95%	326,000	US\$	30.01.2028		271	0.17
Xylem 2.25%	451,000	US\$	30.01.2031		352	0.22
<b>Interest rate futures</b>						
US Treasury Notes 10 year Futures	15	US\$	18.06.2024	14	3	0.00
US Ultra Bond Futures	8	US\$	18.06.2024	8	3	0.00
<b>Chile</b>						
<b>Government bonds</b>						
Chile (Republic of) 1.25%	408,000	€	29.01.2040		283	0.18
Chile (Republic of) 5%	760,000,000	CLP	01.10.2028		698	0.44
<b>Colombia</b>						
<b>Government bonds</b>						
Colombia (Republic of) 7%	2,201,400,000	COP	26.03.2031		<b>459</b>	<b>0.29</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Mexico</b>						
<b>Government bonds</b>						
Mexico (United Mexican States) 8%	3,100,000	MXN	24.05.2035		<b>158</b>	<b>0.10</b>
<b>Currency</b>					<b>(61)</b>	<b>(0.05)</b>
<b>Forward currency contracts</b>					<b>(61)</b>	<b>(0.05)</b>
Bought for AU\$ 631,510.06, Sold for € 380,543.74			30.04.2024	380	(1)	0.00
Bought for DKK 12,572,527.20, Sold for € 1,686,403.89			30.04.2024	1,686	0	0.00
Bought for € 3,439,010.28, Sold for AU\$ 5,652,352.83			30.04.2024	3,402	38	0.02
Bought for € 1,302,190.43, Sold for CA\$ 1,898,829.48			30.04.2024	1,295	8	0.01
Bought for € 6,798,989.02, Sold for DKK 50,630,150.54			30.04.2024	6,789	8	0.00
Bought for € 18,496,846.61, Sold for £ 15,813,944.67			30.04.2024	18,494	20	0.01
Bought for € 9,500,246.12, Sold for HK\$ 80,565,286.17			30.04.2024	9,547	(45)	(0.03)
Bought for € 53,456,112.91, Sold for US\$ 58,076,245.32			30.04.2024	53,851	(336)	(0.21)
Bought for £ 1,466,231.06, Sold for € 1,711,252.78			30.04.2024	1,715	2	0.00
Bought for HK\$ 12,113,260.23, Sold for € 1,430,416.23			30.04.2024	1,435	5	0.00
Bought for US\$ 9,765,312.32, Sold for € 9,007,012.37			30.04.2024	9,056	38	0.02
Bought for US\$ 6,655,045.23, Sold for TW\$ 205,860,514.00			30.04.2024	12,135	202	0.13
<b>Portfolio of investments</b>					<b>154,275</b>	<b>96.84</b>
<b>Total portfolio</b>					<b>154,275</b>	<b>96.84</b>
Net other assets/(liabilities)					5,018	3.16
<b>Net assets</b>					<b>159,293</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Equity securities	117,346	73.66
Equity portfolios	5,518	3.47
Debt securities	31,466	19.76
Unrealised gains on futures contracts	6	0.00
Unrealised gains on forward currency contracts	321	0.19
<b>Total Investment assets</b>	<b>154,657</b>	<b>97.08</b>
<b>Investment liabilities</b>		
Unrealised losses on forward currency contracts	(382)	(0.24)
<b>Total Investment liabilities</b>	<b>(382)</b>	<b>(0.24)</b>
<b>Total portfolio</b>	<b>154,275</b>	<b>96.84</b>
<b>Net other assets/(liabilities)</b>	<b>5,018</b>	<b>3.16</b>
<b>Net assets</b>	<b>159,293</b>	<b>100.00</b>

<sup>a</sup> Fair valued.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures	
	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	6
Barclays Bank London	227	0
BNP Paribas	3	0
HSBC Bank Plc	14	0
JPMorgan London	8	0
Merrill Lynch Pierce Fenner + Smith Inc	1	0
National Australia Bank Ltd	9	0
State Street Bank and Trust Company, London Branch	73	0

Exposure represents the sub-fund's exposure to that counterparty.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'LI' Accumulation	+7.8	n/a	n/a	-2.0	07.12.21

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	as at 31.03.24	NAV per share as at 31.03.23	as at 31.03.22	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'LI' Accumulation	16,683,771.439	9.5478	8.8581	9.6008	0.61

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	159,293	170,759	181,843
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>159,293</b>	<b>170,759</b>	<b>181,843</b>

# Investment review

## For the year ended 31 March 2024

### Performance review

Fixed income investments delivered a mixed performance in the 12 months under review. Shifting expectations around inflation and interest rates brought some volatility for government bonds, but corporate and high-yield bonds proved more resilient.

The period began relatively calmly although UK government bonds (gilts) underperformed after inflation surprised to the upside. However, volatility returned in the summer as persistently high core inflation and resilient macroeconomic data in the US led the Federal Reserve to take a more hawkish stance. Concerns that interest rates would remain higher for longer pushed up government bond yields, and their prices fell accordingly.

Sentiment improved towards the end of 2023. With inflation falling steadily, central banks began signalling interest rate cuts on the horizon, raising hopes of a soft landing for major economies. Both fixed income and equity markets received a welcome boost, rallying strongly throughout November and December.

However, the first quarter of 2024 forced investors to adjust their expectations as sticky US inflation and stronger-than-expected economic data delayed the prospect of rate cuts. Again, government bonds suffered most, with yields on US Treasuries, German bunds and UK gilts all rising.

On the other hand, corporate bonds fared better throughout the period. Demand remained robust, and tightening credit spreads (the yield differential between a corporate bond and the corresponding government bond with the same maturity) reflected investor confidence in the macroeconomic environment. Investment grade bonds delivered positive returns, but were outperformed by riskier high-yield investments.

Over the review period, the M&G (Lux) Sustainable Optimal Income Bond Fund delivered a positive total return (the combination of income and capital growth) across all its share classes, many of which outperformed its benchmark. Its benchmark is a

composite index equally weighted across the Bloomberg MSCI Global Agg Treasury ESG BB+ Sustainable SRI Bond Index EUR Hedged, Bloomberg MSCI Global Agg Corporate ESG BB+ Sustainable SRI Bond Index EUR Hedged and Bloomberg MSCI Global High Yield ESG BB+ Sustainable SRI Bond Index EUR Hedged. This returned 5.26% in euros and 7.39% in US dollars over the period.

Our duration positioning was the main driver of outperformance during the period under review, with the duration impact of our sterling holdings particularly positive. In terms of credit, our holdings in financials and GBP investment grade corporates boosted sub-fund performance over the period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Investment activities

We gradually lengthened sub-fund duration (a measure of sensitivity to interest rates) during the review period, in anticipation of falling inflation and slow-but-steady growth. We added gilts and US Treasuries at various points when prices fell, but reduced exposure to better-performing German bunds. We also added government bonds from selected countries including Hungary, France, Italy, New Zealand and Poland.

We remained cautious in credit, preferring to limit risk and increase quality given tightening credit spreads. Early in the period, we participated in new issues from Allianz, AT&T and Australia's Sydney Airport. Later additions included Morgan Stanley, Nestlé, Santander and Australia Pacific Airports. We reduced our exposure to bonds that have performed strongly in recent years; for example, we sold an AT&T hybrid bond and long-dated GDP Suez bond. We reduced our high yield exposure during the period, investing the profits in higher-quality bonds.

While financial companies still make up a significant portion of the portfolio, we trimmed exposure to these, capitalising on strong performance.

# Investment review

## Outlook

Overall, we maintain a portfolio of high-quality assets with a long duration exposure: we anticipate that interest rates will decrease in response to a lower-inflation environment and slow but positive economic growth. The downside risk of higher rates appears limited as central banks have already implemented significant tightening measures and are unlikely to raise rates much further from current levels. On the other hand, if inflation and growth unexpectedly fall short, there is significant potential for rates to decrease, which would benefit the portfolio, in our view.

The macroeconomic environment remains supportive for investment grade corporate bonds, in our opinion. Inflationary pressures are slowly easing while economies are growing, albeit at a slower pace. Yields remain historically high, and rate cuts are now expected in 2024, which should be supportive for fixed income investments in general. While spreads may not appear attractive on a historical basis, we think the positive macroeconomic environment makes this asset class particularly appealing to investors.

In high yield, spread levels remain unexciting, but yields are still attractive, with scope for absolute returns and carry. With moderate rate cuts, contained spreads, and a mild default environment, we believe the asset class could still deliver positive returns over the next 12 months.

## Richard Woolnough, Anjulie Rusius and Stefan Isaacs

Co-sub-fund managers

On 5 February 2024 Anjulie Rusius and Stefan Isaacs were appointed co-sub-fund managers.

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

## Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b>					<b>44,086</b>	<b>90.72</b>
<b>Debt securities</b>					<b>43,682</b>	<b>89.89</b>
<b>'AAA' credit rated bonds</b>					<b>2,768</b>	<b>5.70</b>
Bank of Nova Scotia 0.375%	100,000	€	26.03.2030		85	0.17
Canadian Imperial Bank of Commerce 4.414%	200,000	US\$	08.06.2028		183	0.38
Commonwealth Bank of Australia 1.625%	100,000	€	10.02.2031		90	0.18
Crédit Agricole Home Loan 2.875%	100,000	€	12.01.2034		99	0.20
Germany (Federal Republic of) 1%	1,000,000	€	15.08.2025		972	2.00
HSBC UK Bank FRN	100,000	£	25.08.2028		117	0.24
Microsoft 3.125%	100,000	€	06.12.2028		101	0.21
Microsoft 3.4%	100,000	US\$	15.09.2026		90	0.19
National Australia Bank 0.01%	200,000	€	06.01.2029		172	0.35
Nationwide Building Society FRN	150,000	£	24.02.2031		173	0.36
Nationwide Building Society 3.375%	100,000	€	27.11.2028		101	0.21
New Zealand (Kingdom of) 2.5%	100,000	NZD	20.09.2040		68	0.14
Toronto-Dominion Bank 3.666%	200,000	€	08.09.2031		208	0.43
Toronto-Dominion Bank 3.715%	200,000	€	13.03.2030		207	0.43
Westpac Securities 3.75%	100,000	€	20.04.2028		102	0.21
<b>'AA' credit rated bonds</b>					<b>21,281</b>	<b>43.79</b>
Apple 0.875%	100,000	€	24.05.2025		97	0.20
Apple 1.2%	200,000	US\$	08.02.2028		164	0.34
Apple 2%	100,000	€	17.09.2027		97	0.20
Apple 3.2%	100,000	US\$	11.05.2027		89	0.18
Banco Santander Totta 3.25%	100,000	€	15.02.2031		100	0.21
European Union 1%	300,000	€	06.07.2032		261	0.54
European Union 1.625%	300,000	€	04.12.2029		283	0.58
European Union 3.25%	325,311	€	04.07.2034		335	0.69
France (Republic of) 0.75%	1,600,000	€	25.05.2053		857	1.76
France (Republic of) 1.25%	2,000,000	€	25.05.2034		1,722	3.54
France (Republic of) 2%	1,000,000	€	25.05.2048		797	1.64
Metropolitan Life Global Funding I 1.625%	100,000	£	12.10.2028		103	0.21
NBN 4.375%	100,000	€	15.03.2033		107	0.22
Nestlé Capital 4.5%	100,000	£	22.03.2029		117	0.24

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'AA' credit rated bonds</b> (continued)						
Royal Bank of Canada 5%	100,000	£	24.01.2028		118	0.24
Siemens Financieringsmaatschappij 3.625%	100,000	€	22.02.2044		101	0.21
SNCF Réseau 5%	100,000	€	10.10.2033		114	0.24
UK Gilt 0.625%	2,000,000	£	22.10.2050		970	2.00
UK Gilt 0.875%	2,475,000	£	31.01.2046		1,474	3.03
UK Gilt 1.5%	750,000	£	22.07.2047		507	1.04
UK Gilt 3.75%	750,000	£	22.10.2053		779	1.60
UK Gilt 4%	200,000	£	22.10.2063		217	0.45
UK Gilt 4.25%	1,100,000	£	07.12.2046		1,254	2.58
UK Gilt 4.75%	500,000	£	07.12.2038		619	1.27
UniCredit 3.5%	100,000	€	31.07.2030		102	0.21
US Treasury Bond 1.25%	2,000,000	US\$	15.05.2050		946	1.95
US Treasury Bond 2.25%	1,500,000	US\$	15.08.2046		950	1.96
US Treasury Bond 2.375%	750,000	US\$	15.05.2051		471	0.97
US Treasury Note 0.625%	3,000,000	US\$	15.05.2030		2,246	4.62
US Treasury Note 0.625%	3,000,000	US\$	15.08.2030		2,227	4.58
US Treasury Note 1.375%	650,000	US\$	15.11.2031		492	1.01
US Treasury Note 2.375%	2,000,000	US\$	15.05.2029		1,697	3.49
US Treasury Note 3.375%	1,000,000	US\$	15.05.2033		868	1.79
<b>'A' credit rated bonds</b>					<b>5,331</b>	<b>10.97</b>
Allianz FRN	100,000	€	25.07.2053		111	0.23
Australia & New Zealand Banking Group FRN	200,000	£	16.09.2031		213	0.44
AXA FRN	200,000	€	10.07.2042		169	0.35
AXA FRN	100,000	€	28.05.2049		96	0.20
Banco Santander 5.125%	200,000	£	25.01.2030		235	0.48
Bank of America FRN	66,000	US\$	23.01.2035		61	0.12
Banque Fédérative du Crédit Mutuel 0.625%	200,000	€	03.11.2028		175	0.36
BNP Paribas FRN	200,000	US\$	13.01.2031		163	0.33
BNP Paribas FRN	200,000	US\$	20.01.2033		158	0.32
BNP Paribas 5.75%	200,000	£	13.06.2032		243	0.50

The accompanying notes to the financial statements are an integral part of these financial statements.



# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Hannover Rück FRN	200,000	€	30.06.2042		164	0.34
ING Groep FRN	200,000	€	18.02.2029		175	0.36
JPMorgan Chase FRN	400,000	US\$	15.10.2030		328	0.67
JPMorgan Chase FRN	272,000	US\$	26.04.2033		241	0.50
JPMorgan Chase FRN	100,000	US\$	25.07.2033		91	0.19
JPMorgan Chase FRN	61,000	US\$	23.01.2035		57	0.12
Leeds Building Society 1.375%	200,000	£	06.10.2027		207	0.43
Mizuho Financial Group FRN	100,000	€	06.09.2029		87	0.18
Morgan Stanley FRN	100,000	€	02.03.2029		104	0.21
Morgan Stanley FRN	100,000	€	26.10.2029		87	0.18
Morgan Stanley FRN	100,000	US\$	22.01.2031		81	0.17
Morgan Stanley FRN	250,000	US\$	13.02.2032		185	0.38
Morgan Stanley FRN	41,000	US\$	18.01.2035		38	0.08
Münchener Rückversicherungs-Gesellschaft FRN	200,000	US\$	23.05.2042		189	0.39
Poland (Republic of) 4.125%	66,000	€	11.01.2044		67	0.14
Poland (Republic of) 5.75%	90,000	US\$	16.11.2032		88	0.18
Prologis Euro Finance 4.25%	100,000	€	31.01.2043		100	0.21
Skipton Building Society FRN	100,000	£	25.04.2029		118	0.24
Slovakia (Republic of) 3.75%	200,000	€	23.02.2035		202	0.41
Standard Chartered 6.301%	300,000	US\$	09.01.2029		286	0.59
Swedbank 4.375%	100,000	€	05.09.2030		104	0.21
Toronto-Dominion Bank 2.875%	100,000	£	05.04.2027		110	0.23
UBS Group FRN	200,000	£	03.11.2029		205	0.42
UBS Group FRN	100,000	£	07.09.2033		133	0.27
US Bancorp FRN	37,000	US\$	22.07.2033		32	0.07
Zurich Finance FRN	200,000	£	23.11.2052		228	0.47
<b>'BBB' credit rated bonds</b>					<b>11,036</b>	<b>22.71</b>
ABN AMRO Bank 3.875%	100,000	€	15.01.2032		101	0.21
AerCap Ireland Capital Via AerCap Global Aviation Trust 3.3%	200,000	US\$	30.01.2032		159	0.33
Annington Funding 2.924%	100,000	£	06.10.2051		71	0.15

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Annington Funding 4.75%	100,000	£	09.08.2033		110	0.23
Aroundtown 3%	100,000	£	16.10.2029		90	0.18
Assicurazioni Generali FRN	100,000	€	27.10.2047		104	0.21
Australia Pacific Airports 4%	100,000	€	07.06.2034		101	0.21
Aviva FRN	200,000	£	04.06.2050		225	0.46
Banco de Sabadell FRN	100,000	€	16.06.2028		91	0.19
Banco de Sabadell FRN	100,000	€	08.09.2029		105	0.22
Banco Santander FRN	100,000	£	04.10.2032		103	0.21
Banque Fédérative du Crédit Mutuel FRN	200,000	€	16.06.2032		198	0.41
BPCE FRN	250,000	US\$	20.01.2032		188	0.39
British Telecommunications 6.375%	200,000	£	23.06.2037		253	0.52
BUPA Finance 4.125%	200,000	£	14.06.2035		197	0.40
CaixaBank FRN	100,000	£	06.04.2028		111	0.23
CaixaBank FRN	100,000	£	25.10.2033		120	0.25
Celanese US Holdings 5.337%	100,000	€	19.01.2029		106	0.22
Celanese US Holdings 6.379%	47,000	US\$	15.07.2032		45	0.09
Cellnex Telecom 0.75%	100,000	€	20.11.2031		86	0.18
Coöperatieve Rabobank 4.625%	100,000	£	23.05.2029		112	0.23
Crédit Agricole FRN	100,000	£	09.12.2031		105	0.22
Danske Bank FRN	200,000	£	14.01.2028		215	0.44
Deutsche Telekom International Finance 8.75%	150,000	US\$	15.06.2030		164	0.34
Enel Finance International 3.5%	300,000	US\$	06.04.2028		262	0.54
Engie 5.95%	123,000	€	16.03.2111		158	0.32
Gatwick Funding 2.5%	100,000	£	15.04.2032		102	0.21
Gatwick Funding 3.125%	100,000	£	28.09.2041		89	0.18
Heathrow Funding 5.875%	200,000	£	13.05.2043		243	0.50
Hungary (Republic of) 1.625%	100,000	€	28.04.2032		82	0.17
ING Groep FRN	200,000	€	26.05.2031		192	0.39
ING Groep FRN	100,000	£	20.05.2033		118	0.24
InterContinental Hotels Group 3.375%	100,000	£	08.10.2028		109	0.22

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
International Consolidated Airlines Group 1.125%	100,000	€	18.05.2028		93	0.19
Intesa Sanpaolo FRN	200,000	US\$	21.11.2033		207	0.43
Intesa Sanpaolo 2.625%	100,000	£	11.03.2036		86	0.18
Intesa Sanpaolo 6.625%	100,000	£	31.05.2033		124	0.25
Italy (Republic of) 1.5%	125,000	€	30.04.2045		81	0.17
Italy (Republic of) 1.7%	125,000	€	01.09.2051		78	0.16
Italy (Republic of) 1.8%	125,000	€	01.03.2041		92	0.19
Italy (Republic of) 3.875%	300,000	US\$	06.05.2051		200	0.41
Italy (Republic of) 4.5%	125,000	€	01.10.2053		132	0.27
KBC Group FRN	100,000	€	07.12.2031		92	0.19
Legal & General Group FRN	300,000	£	14.11.2048		345	0.71
Legal & General Group FRN	200,000	£	26.11.2049		211	0.43
Lloyds Banking Group FRN	200,000	£	03.12.2035		190	0.39
Manchester Airport Group Funding 4.75%	100,000	£	31.03.2034		115	0.24
Mondeléz International 3%	83,000	US\$	17.03.2032		67	0.14
National Australia Bank FRN	250,000	US\$	12.01.2037		195	0.40
National Grid Electricity Distribution West Midlands 5.75%	100,000	£	16.04.2032		122	0.25
NatWest Group FRN	100,000	£	29.03.2029		110	0.23
NatWest Group FRN	100,000	€	14.09.2029		88	0.18
Next Group 3.625%	100,000	£	18.05.2028		112	0.23
NN Group FRN	200,000	€	01.03.2043		208	0.43
Pearson Funding 3.75%	100,000	£	04.06.2030		108	0.22
Raiffeisen Bank International FRN	100,000	€	20.12.2032		104	0.21
Romania (Republic of) 2.875%	200,000	€	13.04.2042		137	0.28
Romania (Republic of) 3.375%	100,000	€	28.01.2050		71	0.15
Sampo FRN	100,000	€	03.09.2052		87	0.18
Santander UK Group Holdings FRN	200,000	£	17.01.2029		209	0.43
Severn Trent Utilities Finance 4.625%	100,000	£	30.11.2034		112	0.23
Société Générale FRN	400,000	US\$	21.01.2033		310	0.64
Southern Water Services Finance 2.375%	100,000	£	28.05.2028		103	0.21

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Spain (Kingdom of) 3.45%	300,000	€	30.07.2066		279	0.57
Suez 6.625%	100,000	£	05.10.2043		131	0.27
Swedbank FRN	100,000	€	23.08.2032		98	0.20
Sydney Airport Finance 4.375%	100,000	€	03.05.2033		105	0.22
T-Mobile 2.625%	100,000	US\$	15.04.2026		88	0.18
UniCredit FRN	400,000	US\$	03.06.2032		314	0.65
Verizon Communications 2.55%	100,000	US\$	21.03.2031		79	0.16
Verizon Communications 4.329%	200,000	US\$	21.09.2028		181	0.37
Wells Fargo FRN	100,000	£	26.04.2028		111	0.23
Wells Fargo FRN	200,000	US\$	02.03.2033		161	0.33
Wells Fargo 2.125%	200,000	£	24.09.2031		193	0.40
Welltower 4.8%	100,000	£	20.11.2028		116	0.24
Westfield America Management 2.625%	100,000	£	30.03.2029		103	0.21
Westpac Banking FRN	100,000	US\$	18.11.2036		76	0.16
Whitbread Group 3%	100,000	£	31.05.2031		102	0.21
WPC Eurobond 1.35%	100,000	€	15.04.2028		90	0.18
WPP Finance 3.75%	100,000	£	19.05.2032		105	0.22
<b>'BB' credit rated bonds</b>					<b>2,372</b>	<b>4.88</b>
AIB Group FRN	200,000	€	30.05.2031		193	0.40
Bank of Ireland Group FRN	100,000	£	06.12.2032		122	0.25
Colombia (Republic of) 5%	200,000	US\$	15.06.2045		135	0.28
Côte d'Ivoire (Republic of) 6.625%	100,000	€	22.03.2048		82	0.17
Daily Mail & General Trust 6.375%	50,000	£	21.06.2027		56	0.11
Grupo KUO 5.75%	200,000	US\$	07.07.2027		175	0.36
Jazz Securities 4.375%	200,000	US\$	15.01.2029		173	0.36
Lloyds Banking Group FRN	200,000	£	29.12.2049		233	0.48
Mahle 2.375%	200,000	€	14.05.2028		175	0.36
Millicom International Cellular 6.25%	180,000	US\$	25.03.2029		163	0.34
Nationwide Building Society FRN	200,000	£	31.12.2099		222	0.46
Serbia (Republic of) 2.05%	250,000	€	23.09.2036		175	0.36

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
South Africa (Republic of) 5.75%	200,000	US\$	30.09.2049		133	0.27
TI Automotive Finance 3.75%	100,000	€	15.04.2029		94	0.19
UBS Group FRN	200,000	US\$	31.12.2099		152	0.31
Vmed O2 UK Financing I 3.25%	100,000	€	31.01.2031		89	0.18
<b>'B' credit rated bonds</b>					<b>755</b>	<b>1.55</b>
1375209 BC 9%	34,000	US\$	30.01.2028		31	0.06
Cheplapharm Arzneimittel 4.375%	200,000	€	15.01.2028		194	0.40
CPUK Finance 4.5%	200,000	£	28.08.2027		214	0.44
Deuce FinCo 5.5%	100,000	£	15.06.2027		111	0.23
Sherwood Financing 6%	100,000	£	15.11.2026		105	0.22
Vmed O2 UK Financing I 4.5%	100,000	£	15.07.2031		100	0.20
<b>'CCC' credit rated bonds</b>					<b>139</b>	<b>0.29</b>
Bausch Health 11%	61,000	US\$	30.09.2028		38	0.08
Bausch Health 14%	12,000	US\$	15.10.2030		6	0.01
Sigma Holdco 5.75%	100,000	€	15.05.2026		95	0.20
<b>Debt derivatives</b>					<b>404</b>	<b>0.83</b>
<b>Interest rate swaps</b>					<b>416</b>	<b>0.86</b>
Pay 3.39% Receive Var. Jan 2034	500,000	£		585	17	0.04
Pay 3.3925% Receive Var. Jan 2034	500,000	£		585	16	0.03
Pay 3.4075% Receive Var. Jan 2034	500,000	£		585	16	0.03
Pay 3.483% Receive Var. Jan 2034	500,000	£		585	12	0.03
Pay 3.581% Receive Var. Jan 2034	500,000	£		585	7	0.01
Pay 1.7577% Receive Var. Mar 2052	250,000	US\$		232	77	0.16
Pay 2.881% Receive Var. Nov 2052	169,492	£		198	30	0.06
Pay 2.907% Receive Var. Nov 2052	169,491	£		198	30	0.06
Pay 2.92% Receive Var. Nov 2052	322,034	£		376	56	0.12
Pay 2.925% Receive Var. Nov 2052	169,491	£		198	29	0.06
Pay 2.937% Receive Var. Nov 2052	169,492	£		198	28	0.06
Pay 3.363% Receive Var. Jan 2053	250,000	£		293	19	0.04
Pay 3.395% Receive Var. Jan 2053	250,000	£		292	18	0.04

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Interest rate swaps</b> (continued)						
Pay 3.0565% Receive Var. Jan 2053	250,000	US\$		232	26	0.05
Pay 3.4375% Receive Var. Apr 2053	500,000	£		585	38	0.08
Pay 2.44% Receive Var. Mar 2054	250,000	€		250	(5)	(0.01)
Pay 2.305% Receive Var. Mar 2054	250,000	€		250	2	0.00
Pay 2.3132% Receive Var. Mar 2054	250,000	€		250	2	0.00
Pay 2.3892% Receive Var. Mar 2054	250,000	€		250	(2)	0.00
<b>Interest rate futures</b>					<b>(12)</b>	<b>(0.03)</b>
Deutscher Bund 10 year Futures	(10)	€	06.06.2024	10	(11)	(0.03)
Deutscher Buxl 30 year Futures	(3)	€	06.06.2024	2	(6)	(0.01)
US Treasury Notes 10 year Futures	38	US\$	18.06.2024	35	6	0.01
US Treasury Notes 10 year Futures	41	US\$	18.06.2024	39	(1)	0.00
US Treasury Notes 5 year Futures	34	US\$	28.06.2024	32	0	0.00
<b>Currency</b>					<b>(149)</b>	<b>(0.31)</b>
<b>Forward currency contracts</b>					<b>(149)</b>	<b>(0.31)</b>
Bought for € 15,027,667.85, Sold for £ 12,873,201.12			03.04.2024	15,055	(28)	(0.06)
Bought for € 94,833.22, Sold for NZD 168,480.24			03.04.2024	93	2	0.00
Bought for € 17,024,155.81, Sold for US\$ 18,497,505.05			03.04.2024	17,152	(128)	(0.26)
Bought for £ 128,971.63, Sold for € 150,775.59			03.04.2024	151	0	0.00
Bought for NZD 47,247.54, Sold for € 26,219.15			03.04.2024	26	0	0.00
Bought for US\$ 497,644.70, Sold for € 456,294.43			03.04.2024	462	5	0.01
<b>Portfolio of investments</b>					<b>43,937</b>	<b>90.41</b>
<b>Share class hedging</b>					<b>4</b>	<b>0.01</b>
Bought for CHF 113,838.93, Sold for € 117,306.27			24.04.2024	118	0	0.00
Bought for € 2,359.67, Sold for CHF 2,289.72			24.04.2024	1	0	0.00
Bought for US\$ 1,185,860.42, Sold for € 1,093,627.99			24.04.2024	1,099	4	0.01
<b>Total portfolio</b>					<b>43,941</b>	<b>90.42</b>
Net other assets/(liabilities)					4,657	9.58
<b>Net assets</b>					<b>48,598</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value €'000	% of net assets
<b>Investment assets</b>		
Debt securities	43,682	89.89
Swap contracts	423	0.87
Unrealised gains on futures contracts	6	0.01
Unrealised gains on forward currency contracts	11	0.02
<b>Total Investment assets</b>	<b>44,122</b>	<b>90.79</b>
<b>Investment liabilities</b>		
Swap contracts	(7)	(0.01)
Unrealised losses on futures contracts	(18)	(0.04)
Unrealised losses on forward currency contracts	(156)	(0.32)
<b>Total Investment liabilities</b>	<b>(181)</b>	<b>(0.37)</b>
<b>Total portfolio</b>	<b>43,941</b>	<b>90.42</b>
<b>Net other assets/(liabilities)</b>	<b>4,657</b>	<b>9.58</b>
<b>Net assets</b>	<b>48,598</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

## Counterparty exposure

Counterparty	Counterparty exposures			
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Bank of America Merrill Lynch	0	0	7	0
Barclays Bank London	422	0	0	785
HSBC Bank Plc	0	2	0	0
National Australia Bank Ltd	0	2	0	0
State Street Bank and Trust Company	0	5	0	0
State Street Bank and Trust Company, London Branch	0	3	0	0

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'A' Accumulation	+5.3	n/a	n/a	-3.2	14.12.21
Class 'A' Distribution	+5.3	n/a	n/a	-3.2	14.12.21
Class 'C' Accumulation	+5.8	n/a	n/a	-2.7	14.12.21
Class 'C' Distribution	+5.8	n/a	n/a	-2.7	14.12.21
Class 'CI' Accumulation	+5.8	n/a	n/a	-2.7	14.12.21
Class 'CI' Distribution	+5.8	n/a	n/a	-2.7	14.12.21
Class 'LI' Accumulation	+6.1	n/a	n/a	-2.4	14.12.21
<b>Swiss franc</b>					
Class 'A-H' Accumulation	+3.0	n/a	n/a	-4.5	14.12.21
Class 'A-H' Distribution	+3.1	n/a	n/a	-4.4	14.12.21
Class 'C-H' Accumulation	+3.5	n/a	n/a	-4.0	14.12.21
Class 'C-H' Distribution	+3.6	n/a	n/a	-4.0	14.12.21
Class 'CI-H' Accumulation	+3.5	n/a	n/a	-4.0	14.12.21
<b>US dollar</b>					
Class 'A-H' Accumulation	+7.3	n/a	n/a	-1.0	14.12.21
Class 'A-H' Distribution	+7.2	n/a	n/a	-1.0	14.12.21
Class 'A-H M' Distribution	+7.2	n/a	n/a	-1.0	14.12.21
Class 'C-H' Accumulation	+7.8	n/a	n/a	-0.5	14.12.21
Class 'C-H' Distribution	+7.7	n/a	n/a	-0.5	14.12.21
Class 'CI-H' Accumulation	+7.8	n/a	n/a	-0.5	14.12.21
Class 'CI-H' Distribution	+7.8	n/a	n/a	-0.5	14.12.21
Class 'LI-H' Accumulation	+8.1	n/a	n/a	-0.2	14.12.21

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding		NAV per share		TER <sup>a</sup> (%)
	as at 31.03.24	as at 31.03.24	as at 31.03.23	as at 31.03.22	as at 31.03.24
<b>Euro</b>		€	€	€	
Class 'A' Accumulation	1,000.000	9.2810	8.8169	9.4343	1.46
Class 'A' Distribution	1,001.000	8.7529	8.6337	9.4343	1.45
Class 'C' Accumulation	1,002.000	9.3877	8.8744	9.4479	0.96
Class 'C' Distribution	1,003.000	8.8533	8.6904	9.4482	0.96
Class 'CI' Accumulation	4,600.000	9.3954	8.8778	9.4493	0.92
Class 'CI' Distribution	4,601.000	8.8620	8.6946	9.4493	0.92
Class 'LI' Accumulation	5,001,004.000	9.4495	8.9065	9.4562	0.67
<b>Swiss franc</b>		CHF	CHF	CHF	
Class 'A-H' Accumulation	2,000.000	9.0060	8.7430	9.4228	1.47
Class 'A-H' Distribution	2,001.000	8.4977	8.5610	9.4228	1.47
Class 'C-H' Accumulation	2,002.000	9.1080	8.7989	9.4365	0.97
Class 'C-H' Distribution	2,003.000	8.5939	8.6163	9.4365	0.97
Class 'CI-H' Accumulation	4,600.000	9.1159	8.8039	9.4384	0.94
<b>US dollar</b>		US\$	US\$	US\$	
Class 'A-H' Accumulation	13,885.084	9.7739	9.1119	9.4658	1.48
Class 'A-H' Distribution	2,001.000	9.2165	8.9234	9.4657	1.48
Class 'A-H M' Distribution	2,002.000	9.2166	8.9240	9.4656	1.48
Class 'C-H' Accumulation	87,721.210	9.8785	9.1646	9.4786	0.98
Class 'C-H' Distribution	2,004.000	9.3193	8.9809	9.4787	0.98
Class 'CI-H' Accumulation	4,600.000	9.8955	9.1760	9.4802	0.94
Class 'CI-H' Distribution	4,601.000	9.3284	8.9858	9.4802	0.94
Class 'LI-H' Accumulation	4,602.000	9.9537	9.2071	9.4871	0.69

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

## Financial highlights

NAV at sub-fund level	31.03.24 €'000	31.03.23 €'000	31.03.22 €'000
Net assets	48,598	45,423	47,735
Swing pricing adjustment (see note 10)	n/a	n/a	n/a
<b>Swing net assets</b>	<b>48,598</b>	<b>45,423</b>	<b>47,735</b>

# Investment review

## For the period from 16 November 2023 (launch date of the sub-fund) to 31 March 2024

### Performance review

As the M&G (Lux) TAP Global Listed Infrastructure Fund launched on 16 November 2023 we do not have 12 months performance to report.

Global stocks rallied in the period under review, fuelled by gains for US technology giants, such as NVIDIA and Microsoft. These shares surged because of optimism about the potential for artificial intelligence (AI). Still, the so-called 'Magnificent Seven' splintered towards the end of the period, with Apple and Tesla, in particular, suffering declines. The technology gains meant that the US was a star market in the review period. Japan also outperformed, with the Nikkei surpassing its previous peak, set in 1989. Europe lagged, with the UK underperforming Germany and France in sterling terms. Emerging markets and Asia ex-Japan were both held back by weakness in China.

The AI excitement meant that information technology was the best performing sector in the MSCI ACWI index during the review period; however, the industry is outside of the sub-fund's remit. Communications services and financials also outperformed. Consumer staples was the biggest laggard as inflation squeezed shoppers' purchasing power. Utilities and real estate were also underperformers, partly because high interest rates dented profit expectations. This was a significant headwind for listed infrastructure strategies.

As at the end of the period, the sub-fund held large above-benchmark exposures to real estate and utilities and large below-benchmark exposures to information technology, consumer discretionary and healthcare stocks. Its exposure to real estate is gained through its holdings in real estate investment trusts such as Alexandria, American Tower and Crown Castle. Utilities names include AES, American Waterworks, Nextera, National Grid and Edison International. The sub-fund also held an above-benchmark exposure to energy

through its holdings in names such as natural gas company Oneok, Gibson Energy, Keyera and Enbridge.

### Investment activities

The sub-fund pursues a low turnover, buy-and-hold strategy.

### Outlook

Despite the recent challenging backdrop for listed infrastructure, we remain highly enthused by the opportunities in the asset class. The combination of decarbonisation, digitalisation and demographics are driving structural changes that can only be met with significant investment in real assets.

The market has been focused on the undeniably strong earnings power in US technology; but achieving the potential productivity gains these companies promise can only be harnessed with sustainable energy sources, secure supply chains, state of the art data centres and communications networks.

Recent activity in the private infrastructure space has helped to cement our view that this asset class will continue to attract capital. The unceasing drive towards electrification of the economy, re-shoring and enhanced resource security, as well as demographic change with urban migration, along with the need for real income growth – lead us to believe that listed infrastructure has a bright future.

Our companies are broadly delivering as we would have hoped; growing their earnings and dividends whilst continuing to invest in future growth. The valuations we feel do not fully reflect that execution and delivery. We continue to believe that listed infrastructure can continue to offer compounding income growth with economic resilience and inflation protection.

# Investment review

## Alex Araujo

Sub-fund manager

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities</b>					<b>50,594</b>	<b>98.99</b>
<b>United Kingdom</b>					<b>6,211</b>	<b>12.15</b>
HICL Infrastructure	1,121,616	£			1,782	3.49
National Grid	76,450	£			1,025	2.00
SDCL Energy Efficiency Income Trust	1,196,930	£			898	1.76
Segro	156,240	£			1,758	3.44
UNITE Group	61,211	£			748	1.46
<b>Belgium</b>						
Elia Group	6,970	€			<b>751</b>	<b>1.47</b>
<b>France</b>					<b>2,263</b>	<b>4.43</b>
Getlink	58,045	€			989	1.94
Vinci	9,903	€			1,274	2.49
<b>Germany</b>						
E.ON	73,446	€			<b>1,019</b>	<b>1.99</b>
<b>Guernsey</b>						
International Public Partnerships	1,121,209	£			<b>1,752</b>	<b>3.43</b>
<b>Italy</b>					<b>3,557</b>	<b>6.96</b>
A2A	434,746	€			783	1.53
Enel	228,327	€			1,514	2.96
Infrastrutture Wireless Italiane	110,984	€			1,260	2.47
<b>Spain</b>						
Ferrovial	25,207	€			<b>990</b>	<b>1.94</b>
<b>Switzerland</b>						
Flughafen Zürich	3,341	CHF			<b>763</b>	<b>1.49</b>
<b>United States</b>					<b>23,966</b>	<b>46.89</b>
AES	105,531	US\$			1,821	3.56
Alexandria Real Estate Equities	16,053	US\$			2,046	4.00
American Tower	9,040	US\$			1,782	3.49
American Water Works	8,711	US\$			1,056	2.07
Atmos Energy	4,342	US\$			502	0.98
CME Group	2,340	US\$			504	0.99
Crown Castle International	19,049	US\$			2,008	3.93
CSX	27,075	US\$			997	1.95

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Equities (continued)</b>						
<b>United States (continued)</b>						
Edison International	18,061	US\$			1,252	2.45
Equinix	1,828	US\$			1,488	2.91
Eversource Energy	26,457	US\$			1,558	3.05
Exelon	34,567	US\$			1,285	2.51
Mastercard 'A'	1,558	US\$			740	1.45
NextEra Energy	20,438	US\$			1,297	2.54
NextEra Energy Partners	44,720	US\$			1,291	2.53
ONEOK	12,845	US\$			1,023	2.00
Republic Services	2,735	US\$			524	1.02
Sempra Energy	14,402	US\$			1,025	2.00
Visa 'A'	2,660	US\$			742	1.45
Williams Companies	26,567	US\$			1,025	2.01
<b>Canada</b>					<b>6,027</b>	<b>11.79</b>
Enbridge	35,636	CA\$			1,277	2.50
Gibson Energy	101,448	CA\$			1,712	3.35
Keyera	51,364	CA\$			1,304	2.55
TransCanada	43,788	US\$			1,734	3.39
<b>Japan</b>						
Kamigumi	44,934	¥			<b>986</b>	<b>1.93</b>
<b>Australia</b>					<b>2,309</b>	<b>4.52</b>
APA Group	139,494	AU\$			761	1.49
Transurban Group	178,972	AU\$			1,548	3.03
<b>Portfolio of investments</b>					<b>50,594</b>	<b>98.99</b>
<b>Cash equivalents</b>					<b>268</b>	<b>0.52</b>
<b>'AAA' rated money market funds</b>						
Northern Trust Global Funds – US Dollar Fund Class 'D' (Distribution)	268,000	US\$			<b>268</b>	<b>0.52</b>
<b>Total portfolio</b>					<b>50,862</b>	<b>99.51</b>
Net other assets/(liabilities)					248	0.49
<b>Net assets</b>					<b>51,110</b>	<b>100.00</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Portfolio summary	Market value US\$'000	% of net assets
<b>Investment assets</b>		
Equity securities	50,594	98.99
<b>Total Investment assets</b>	<b>50,594</b>	<b>98.99</b>
<b>Total portfolio</b>	<b>50,594</b>	<b>98.99</b>
<b>Cash equivalents</b>	<b>268</b>	<b>0.52</b>
<b>Net other assets/(liabilities)</b>	<b>248</b>	<b>0.49</b>
<b>Net assets</b>	<b>51,110</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>Euro</b>					
Class 'CI' Accumulation	n/a	n/a	n/a	+7.8 <sup>a</sup>	16.11.23

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>Euro</b>		€	
Class 'CI' Accumulation	4,395,905.750	10.7809	1.30

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

NAV at sub-fund level	31.03.24 US\$'000
Net assets	51,110
Swing pricing adjustment (see note 10)	n/a
<b>Swing net assets</b>	<b>51,110</b>

# Investment review

## For the period from 19 March 2024 (launch date of the sub-fund) to 31 March 2024

### Performance review

The sub-fund aims to provide a higher total return (capital growth and income) than that of the US investment grade corporate bond market, as represented by the ICE BofA US Corporate Index, over any 5-year period, while applying environmental, social and governance (ESG) criteria.

It seeks to make these investments using an exclusionary approach, as described in the prospectus. At least 70% of the sub-fund is invested in corporate bonds denominated in, or hedged to US dollars, whose issuers may be located in any country, including emerging markets.

The sub-fund will typically invest directly, but may also take positions via derivative instruments. The manager applies a flexible investment approach, seeking to take advantage of relative value opportunities.

Most stockmarkets and bond markets around the world ended the first quarter in high spirits, posting gains in March. Several stockmarkets hit all-time highs, while developed market sovereign bonds recorded their first monthly gain of 2024.

In the US, the Dow Jones got to within a whisker of 40,000 and in Japan the Nikkei 225 passed through 40,000 for the first time. In terms of sectors, energy, mining stocks and financials featured particularly strongly.

More 'dovish' comments from some central banks proved to be a positive backdrop for sovereign bonds. Spreads continuing to tighten, provided further support for investment grade bonds and within emerging markets, hard currency sovereign bonds outperformed local currency markets.

In the US, Federal Reserve Chair Jerome Powell said the central bank was not far from reaching the confidence it needs that 'inflation is moving sustainably down to 2%'. Meanwhile, confidence among investors that the

European Central Bank (ECB) will cut interest rates this June increased after the ECB's monetary policy meeting. The ECB left rates unchanged, but revised its forecast as to when inflation will get back to its 2% target, to 2025, rather than 2026.

In the currency markets, the US dollar generally strengthened against most major currencies in the month, whilst the yen weakened, despite the Bank of Japan (BoJ) ending its negative interest rate policy. The BoJ raised interest rates, for the first time since 2007.

The first quarter of 2024 saw investment grade (IG) corporate bond new issuance reach record levels. Spreads continued to tighten in March, supported by the markets' perception that the Fed would maintain three rate cuts this year – despite the recent increase in inflationary pressures. As in prior months, the asset class continues to provide historically elevated levels of yield, with the USD IG index yield at 5.4%.

Throughout March, higher-beta names continued to outperform, and credit curves flattened. Among ratings, BBBs generally outperformed higher quality categories, while cyclicals outperformed non-cyclicals.

### Outlook

We believe the macroeconomic environment remains supportive for the asset class. Inflationary pressures are slowly easing, while economies are growing, albeit at a slower pace. Yields remain historically high, and rate cuts are now expected in 2024, which should be supportive for fixed income investments in general. We believe active investors can continue to capitalise on market dislocations, mitigating the impact of tighter spreads and potentially achieving better performance.

### Erica Tully, Anthony Balestrieri and Nikhill Patel

Co-sub-fund managers

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

# Investment review

## **Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation**

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>72,860</b>	<b>96.35</b>
<b>Debt securities</b>					<b>72,854</b>	<b>96.34</b>
<b>'AAA' credit rated bonds</b>					<b>511</b>	<b>0.67</b>
Microsoft 2.4%	264,000	US\$	08.08.2026		250	0.33
Microsoft 2.675%	148,000	US\$	01.06.2060		95	0.12
Microsoft 2.921%	236,000	US\$	17.03.2052		166	0.22
<b>'AA' credit rated bonds</b>					<b>13,836</b>	<b>18.30</b>
Amazon.com 2.5%	300,000	US\$	03.06.2050		191	0.25
Amazon.com 4.7%	98,000	US\$	01.12.2032		98	0.13
Apple 1.65%	288,000	US\$	11.05.2030		243	0.32
Bank of America FRN	208,000	US\$	13.02.2031		179	0.24
Berkshire Hathaway Finance 2.85%	137,000	US\$	15.10.2050		92	0.12
BNSF Railway 5.2%	175,000	US\$	15.04.2054		173	0.23
Metropolitan Life Global Funding I 3.05%	469,000	US\$	17.06.2029		424	0.56
Roche Holdings 2.607%	291,000	US\$	13.12.2051		185	0.25
The Guardian Life Insurance Company of America 4.85%	120,000	US\$	24.01.2077		101	0.13
US Treasury Bond 1.75%	1,702,000	US\$	15.08.2041		1,146	1.52
US Treasury Bond 3.625%	1,877,000	US\$	15.08.2043		1,667	2.20
US Treasury Bond 4.75%	740,000	US\$	15.02.2037		786	1.04
US Treasury Note 0.875%	2,585,000	US\$	30.06.2026		2,384	3.15
US Treasury Note 1.25%	1,196,000	US\$	30.09.2028		1,049	1.39
US Treasury Note 2.75%	2,506,000	US\$	31.07.2027		2,380	3.15
US Treasury Note 3%	1,811,000	US\$	15.07.2025		1,769	2.34
US Treasury Note 3.375%	838,000	US\$	15.05.2033		784	1.04
Visa 4.15%	195,000	US\$	14.12.2035		185	0.24
<b>'A' credit rated bonds</b>					<b>22,381</b>	<b>29.60</b>
AbbVie 4.05%	247,000	US\$	21.11.2039		220	0.29
AbbVie 4.3%	250,000	US\$	14.05.2036		234	0.31
AbbVie 4.55%	77,000	US\$	15.03.2035		74	0.10
AEP Transmission 3.8%	96,000	US\$	15.06.2049		75	0.10
Ameren Illinois 4.5%	167,000	US\$	15.03.2049		147	0.19
American Water Capital 4.15%	265,000	US\$	01.06.2049		222	0.29
Analog Devices 2.95%	205,000	US\$	01.04.2025		200	0.26

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Anheuser-Busch Companies Via Anheuser-Busch InBev Worldwide 4.7%	500,000	US\$	01.02.2036		484	0.64
Anheuser-Busch Companies Via Anheuser-Busch InBev Worldwide 4.9%	225,000	US\$	01.02.2046		214	0.28
Aon North America 5.45%	149,000	US\$	01.03.2034		150	0.20
Aon North America 5.75%	147,000	US\$	01.03.2054		150	0.20
AstraZeneca 3%	120,000	US\$	28.05.2051		84	0.11
Atmos Energy 3.375%	200,000	US\$	15.09.2049		145	0.19
Bank of America FRN	191,000	US\$	24.10.2026		179	0.24
Bank of America FRN	403,000	US\$	22.07.2027		372	0.49
Bank of America FRN	493,000	US\$	20.12.2028		462	0.61
Bank of America FRN	466,000	US\$	23.07.2031		382	0.50
Bank of America FRN	290,000	US\$	04.02.2033		246	0.33
Bank of America FRN	139,000	US\$	19.06.2041		99	0.13
Bank of Nova Scotia 1.3%	324,000	US\$	11.06.2025		309	0.41
Berkshire Hathaway Energy 4.45%	253,000	US\$	15.01.2049		214	0.28
BNP Paribas FRN	274,000	US\$	20.01.2033		233	0.31
BP Capital Markets America 2.772%	305,000	US\$	10.11.2050		197	0.26
Bristol-Myers Squibb 4.125%	320,000	US\$	15.06.2039		283	0.37
Bristol-Myers Squibb 4.625%	219,000	US\$	15.05.2044		201	0.27
Canadian Imperial Bank of Commerce 6.092%	195,000	US\$	03.10.2033		205	0.27
Cargill 4.375%	291,000	US\$	22.04.2052		254	0.34
Comcast 2.887%	456,000	US\$	01.11.2051		295	0.39
Comcast 2.987%	121,000	US\$	01.11.2063		74	0.10
Connecticut Light and Power 4%	147,000	US\$	01.04.2048		120	0.16
Consolidated Edison Company of New York 4.5%	276,000	US\$	01.12.2045		242	0.32
Credit Suisse 5%	514,000	US\$	09.07.2027		509	0.67
CSL Finance 4.95%	121,000	US\$	27.04.2062		110	0.15
Danske Bank FRN	571,000	US\$	10.09.2027		521	0.69
Duke Energy Carolinas 5.4%	138,000	US\$	15.01.2054		137	0.18
Duke Energy Progress 5.1%	186,000	US\$	15.03.2034		186	0.25

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Elevance Health 2.25%	217,000	US\$	15.05.2030		186	0.25
Elevance Health 3.6%	244,000	US\$	15.03.2051		182	0.24
Eli Lilly & Co 2.5%	62,000	US\$	15.09.2060		36	0.05
Entergy Louisiana 2.9%	217,000	US\$	15.03.2051		138	0.18
Enterprise Products Operating 3.3%	260,000	US\$	15.02.2053		184	0.24
Enterprise Products Operating 6.125%	140,000	US\$	15.10.2039		150	0.20
Equitable Financial Life Global Funding 1%	407,000	US\$	09.01.2026		377	0.50
Equitable Financial Life Global Funding 1.4%	91,000	US\$	07.07.2025		86	0.11
Equitable Financial Life Global Funding 1.4%	202,000	US\$	27.08.2027		177	0.23
ERP Operating 3.5%	151,000	US\$	01.03.2028		143	0.19
Essential Utilities 5.375%	150,000	US\$	15.01.2034		149	0.20
Five Corners Funding Trust II 2.85%	222,000	US\$	15.05.2030		195	0.26
Goldman Sachs Group FRN	227,000	US\$	21.10.2027		209	0.28
Home Depot 3.35%	200,000	US\$	15.04.2050		146	0.19
Honeywell International 1.75%	338,000	US\$	01.09.2031		274	0.36
HSBC Holdings FRN	375,000	US\$	22.05.2030		350	0.46
HSBC Holdings FRN	303,000	US\$	11.08.2033		301	0.40
Indianapolis Power & Light 5.7%	76,000	US\$	01.04.2054		76	0.10
ING Groep 4.05%	200,000	US\$	09.04.2029		190	0.25
Intel 2.8%	119,000	US\$	12.08.2041		86	0.11
Intel 3.05%	77,000	US\$	12.08.2051		52	0.07
Intel 5.7%	116,000	US\$	10.02.2053		120	0.16
JPMorgan Chase FRN	71,000	US\$	23.01.2029		67	0.09
JPMorgan Chase FRN	767,000	US\$	23.04.2029		735	0.97
JPMorgan Chase FRN	654,000	US\$	25.01.2033		558	0.74
Merck & Co 4%	207,000	US\$	07.03.2049		173	0.23
Mitsubishi UFJ Financial Group 1.412%	874,000	US\$	17.07.2025		831	1.10
Mizuho Financial Group FRN	300,000	US\$	13.09.2030		267	0.35
Morgan Stanley FRN	252,000	US\$	17.07.2026		249	0.33
Morgan Stanley FRN	1,113,000	US\$	04.05.2027		1,030	1.36

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Morgan Stanley FRN	172,000	US\$	01.02.2029		172	0.23
Morgan Stanley FRN	218,000	US\$	22.01.2031		190	0.25
Morgan Stanley FRN	380,000	US\$	13.02.2032		304	0.40
Morgan Stanley FRN	320,000	US\$	28.04.2032		257	0.34
Nationwide Mutual Insurance 7.875%	98,000	US\$	01.04.2033		109	0.14
Ohio Power 4%	95,000	US\$	01.06.2049		75	0.10
Oncor Electric Delivery 3.1%	159,000	US\$	15.09.2049		110	0.15
PepsiCo 2.875%	329,000	US\$	15.10.2049		228	0.30
Pfizer 2.7%	293,000	US\$	28.05.2050		196	0.26
PNC Financial Services Group 2.55%	169,000	US\$	22.01.2030		147	0.19
PPL Electric Utilities 5.25%	230,000	US\$	15.05.2053		226	0.30
Prologis 2.25%	144,000	US\$	15.04.2030		125	0.17
Royal Bank of Canada 5%	316,000	US\$	01.02.2033		314	0.41
S&P Global 4.25%	75,000	US\$	01.05.2029		73	0.10
Salesforce 2.9%	445,000	US\$	15.07.2051		299	0.40
Saudi Arabian Oil 4.375%	209,000	US\$	16.04.2049		174	0.23
Southern California Edison 2.85%	200,000	US\$	01.08.2029		180	0.24
Southern California Edison 3.65%	183,000	US\$	01.02.2050		135	0.18
Southern California Gas 5.6%	113,000	US\$	01.04.2054		113	0.15
State Street FRN	516,000	US\$	01.11.2025		506	0.67
State Street FRN	101,000	US\$	13.05.2033		96	0.13
Sumitomo Mitsui Financial Group 3.04%	358,000	US\$	16.07.2029		324	0.43
Toronto-Dominion Bank 5.156%	462,000	US\$	10.01.2028		465	0.61
TWDC Enterprises 18 3%	210,000	US\$	30.07.2046		149	0.20
UBS Group FRN	250,000	US\$	12.01.2027		251	0.33
UBS Group FRN	250,000	US\$	14.05.2032		212	0.28
Union Pacific 4.05%	250,000	US\$	01.03.2046		207	0.27
UnitedHealth Group 4.45%	212,000	US\$	15.12.2048		188	0.25
Verizon Communications 2.875%	227,000	US\$	20.11.2050		148	0.20
Volkswagen Group of America Finance 5.9%	200,000	US\$	12.09.2033		206	0.27

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'A' credit rated bonds</b> (continued)						
Wells Fargo FRN	258,000	US\$	24.04.2034		256	0.34
<b>'BBB' credit rated bonds</b>					<b>34,946</b>	<b>46.21</b>
AerCap Ireland Capital Via AerCap Global Aviation Trust 3.3%	488,000	US\$	30.01.2032		418	0.55
AES 3.3%	102,000	US\$	15.07.2025		99	0.13
AES 3.95%	124,000	US\$	15.07.2030		113	0.15
Agree 2.9%	172,000	US\$	01.10.2030		148	0.20
Aker BP 4%	150,000	US\$	15.01.2031		137	0.18
Ally Financial 3.875%	101,000	US\$	21.05.2024		101	0.13
American International Group 4.8%	320,000	US\$	10.07.2045		298	0.39
American Tower 2.95%	232,000	US\$	15.01.2051		149	0.20
American Tower 5.9%	141,000	US\$	15.11.2033		146	0.19
Amgen 2.2%	112,000	US\$	21.02.2027		104	0.14
Amgen 3.15%	458,000	US\$	21.02.2040		351	0.46
Anglo American Capital 2.625%	356,000	US\$	10.09.2030		303	0.40
Arthur J Gallagher & Co 2.4%	236,000	US\$	09.11.2031		193	0.25
Arthur J Gallagher & Co 6.5%	38,000	US\$	15.02.2034		41	0.05
Ashtead Capital 2.45%	200,000	US\$	12.08.2031		163	0.22
Ashtead Capital 4.25%	200,000	US\$	01.11.2029		186	0.25
AT&T 3.5%	395,000	US\$	15.09.2053		278	0.37
Avangrid 3.2%	311,000	US\$	15.04.2025		303	0.40
Avery Dennison 2.65%	184,000	US\$	30.04.2030		161	0.21
Bank of America FRN	171,000	US\$	29.12.2049		173	0.23
Barclays FRN	729,000	US\$	09.08.2028		727	0.96
Barclays FRN	219,000	US\$	02.11.2033		243	0.32
Becton Dickinson & Co 3.734%	59,000	US\$	15.12.2024		58	0.08
Bimbo Bakeries USA 4%	225,000	US\$	17.05.2051		174	0.23
Boeing 3.375%	272,000	US\$	15.06.2046		183	0.24
Boeing 3.75%	213,000	US\$	01.02.2050		148	0.20
BPCE 4.625%	771,000	US\$	12.09.2028		756	1.00
Brixmor Operating Partnership 4.05%	40,000	US\$	01.07.2030		37	0.05

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Broadcom 3.137%	195,000	US\$	15.11.2035		157	0.21
Broadcom 3.187%	10,000	US\$	15.11.2036		8	0.01
Broadcom 3.419%	179,000	US\$	15.04.2033		155	0.20
Broadcom 3.469%	229,000	US\$	15.04.2034		196	0.26
Broadcom 4.15%	104,000	US\$	15.11.2030		98	0.13
CaixaBank FRN	200,000	US\$	13.09.2034		214	0.28
Canadian Pacific Railway 3.1%	100,000	US\$	02.12.2051		69	0.09
Celanese US Holdings 5.9%	321,000	US\$	05.07.2024		321	0.42
Celanese US Holdings 6.7%	138,000	US\$	15.11.2033		147	0.19
Centene 2.5%	364,000	US\$	01.03.2031		300	0.40
Centene 3.375%	295,000	US\$	15.02.2030		261	0.34
Centene 4.625%	156,000	US\$	15.12.2029		148	0.20
CenterPoint Energy 2.65%	176,000	US\$	01.06.2031		149	0.20
Charter Communications Operating Via Charter Communications Operating Capital 3.5%	202,000	US\$	01.06.2041		135	0.18
Charter Communications Operating Via Charter Communications Operating Capital 3.7%	297,000	US\$	01.04.2051		183	0.24
Charter Communications Operating Via Charter Communications Operating Capital 3.85%	314,000	US\$	01.04.2061		185	0.24
Citigroup FRN	729,000	US\$	10.01.2028		703	0.93
Citigroup FRN	585,000	US\$	24.07.2028		556	0.73
Citigroup 4.45%	375,000	US\$	29.09.2027		365	0.48
Commonwealth Bank of Australia FRN	200,000	US\$	12.09.2034		180	0.24
Constellation Energy Generation 5.75%	188,000	US\$	15.03.2054		188	0.25
Continental Resources 2.875%	329,000	US\$	01.04.2032		268	0.35
Continental Resources 4.9%	165,000	US\$	01.06.2044		138	0.18
Crown Castle 5.6%	205,000	US\$	01.06.2029		208	0.27
CVS Health 4.78%	343,000	US\$	25.03.2038		316	0.42
DCP Midstream Operating 3.25%	278,000	US\$	15.02.2032		239	0.32
DCP Midstream Operating 5.125%	210,000	US\$	15.05.2029		209	0.28
Delta Air Lines 7%	206,000	US\$	01.05.2025		209	0.28

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Deutsche Bank FRN	200,000	US\$	28.05.2032		168	0.22
Diamondback Energy 6.25%	169,000	US\$	15.03.2033		180	0.24
Discovery Communications 5.2%	206,000	US\$	20.09.2047		173	0.23
DuPont de Nemours 4.493%	104,000	US\$	15.11.2025		103	0.14
DuPont de Nemours 5.319%	102,000	US\$	15.11.2038		102	0.13
Électricité de France 4.75%	153,000	US\$	13.10.2035		142	0.19
Enel Finance International 4.875%	361,000	US\$	14.06.2029		359	0.47
Energy Transfer 5.75%	147,000	US\$	15.02.2033		149	0.20
Energy Transfer 5.8%	118,000	US\$	15.06.2038		117	0.15
Energy Transfer 6%	240,000	US\$	15.06.2048		238	0.31
Entergy 2.4%	185,000	US\$	15.06.2031		154	0.20
EQT 3.9%	360,000	US\$	01.10.2027		343	0.45
EQT 5.7%	117,000	US\$	01.04.2028		118	0.16
Equifax 2.6%	259,000	US\$	01.12.2024		254	0.34
Equifax 2.625%	152,000	US\$	18.11.2024		149	0.20
Equifax 2.9%	173,000	US\$	18.11.2026		162	0.21
Essential Utilities 2.704%	161,000	US\$	15.04.2030		139	0.18
Eversource Energy 3.375%	316,000	US\$	01.03.2032		275	0.36
Exelon 5.3%	421,000	US\$	15.03.2033		421	0.56
Exelon 5.6%	225,000	US\$	15.03.2053		224	0.30
Fiserv 3.2%	156,000	US\$	01.07.2026		150	0.20
Fiserv 5.6%	147,000	US\$	02.03.2033		150	0.20
Ford Motor Credit 2.9%	212,000	US\$	10.02.2029		187	0.25
Fresenius Medical Care US Finance III 3%	153,000	US\$	01.12.2031		123	0.16
GE HealthCare Technologies 5.857%	244,000	US\$	15.03.2030		254	0.34
General Motors 5.2%	82,000	US\$	01.04.2045		74	0.10
Gilead Sciences 4%	85,000	US\$	01.09.2036		76	0.10
Goldman Sachs Group FRN	423,000	US\$	23.04.2029		401	0.53
Goldman Sachs Group FRN	327,000	US\$	27.01.2032		264	0.35
Goldman Sachs Group FRN	364,000	US\$	21.07.2032		298	0.39

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
Goldman Sachs Group 3.75%	256,000	US\$	22.05.2025		251	0.33
Goldman Sachs Group 3.85%	232,000	US\$	26.01.2027		225	0.30
Halliburton 4.85%	138,000	US\$	15.11.2035		134	0.18
HCA 5.125%	350,000	US\$	15.06.2039		330	0.44
HCA 5.6%	224,000	US\$	01.04.2034		225	0.30
Healthpeak OP 2.125%	118,000	US\$	01.12.2028		104	0.14
Healthpeak OP 5.25%	83,000	US\$	15.12.2032		82	0.11
Host Hotels & Resorts 3.5%	121,000	US\$	15.09.2030		108	0.14
Hyatt Hotels 5.75%	57,000	US\$	23.04.2030		58	0.08
Invitation Homes Operating Partnership 2%	85,000	US\$	15.08.2031		67	0.09
Invitation Homes Operating Partnership 2.3%	342,000	US\$	15.11.2028		303	0.40
ITC Holdings 5.4%	185,000	US\$	01.06.2033		183	0.24
KeyCorp FRN	121,000	US\$	01.06.2033		111	0.15
Kinder Morgan 3.6%	170,000	US\$	15.02.2051		118	0.16
Kinder Morgan 4.8%	195,000	US\$	01.02.2033		185	0.24
Kraft Heinz Foods 4.375%	390,000	US\$	01.06.2046		329	0.43
Liberty Mutual Group 3.951%	194,000	US\$	15.10.2050		146	0.19
Lloyds Banking Group FRN	200,000	US\$	11.08.2033		192	0.25
Lowe's 2.8%	253,000	US\$	15.09.2041		180	0.24
Lowe's 3%	112,000	US\$	15.10.2050		73	0.10
Markel Group 3.45%	75,000	US\$	07.05.2052		52	0.07
Markel Group 5%	73,000	US\$	20.05.2049		66	0.09
McDonald's 2.625%	178,000	US\$	01.09.2029		160	0.21
McDonald's 3.625%	118,000	US\$	01.09.2049		89	0.12
MetLife Capital Trust IV 7.875%	293,000	US\$	15.12.2037		315	0.42
Mileage Plus Holdings Via Mileage Plus Intellectual Property Assets 6.5%	264,550	US\$	20.06.2027		266	0.35
Mondeléz International 2.625%	106,000	US\$	04.09.2050		67	0.09
Mondeléz International 3%	360,000	US\$	17.03.2032		312	0.41
Nationwide Building Society FRN	341,000	US\$	16.02.2028		318	0.42
NatWest Group FRN	250,000	US\$	13.09.2029		254	0.34

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
NextEra Energy Capital Holdings 5.05%	380,000	US\$	28.02.2033		376	0.50
Norfolk Southern 5.35%	150,000	US\$	01.08.2054		148	0.20
NVR 3%	192,000	US\$	15.05.2030		171	0.23
NXP Via NXP Funding Via NXP USA 2.7%	230,000	US\$	01.05.2025		223	0.29
NXP Via NXP Funding Via NXP USA 3.25%	283,000	US\$	11.05.2041		210	0.28
Oracle 3.6%	409,000	US\$	01.04.2050		294	0.39
Oracle 3.8%	308,000	US\$	15.11.2037		258	0.34
Pacific Gas and Electric 2.5%	247,000	US\$	01.02.2031		205	0.27
Pacific Gas and Electric 4.5%	220,000	US\$	01.07.2040		187	0.25
Paramount Global 4.95%	70,000	US\$	19.05.2050		50	0.07
Phillips Edison Grocery Center Operating Partnership I 2.625%	204,000	US\$	15.11.2031		166	0.22
Pioneer Natural Resources 1.9%	438,000	US\$	15.08.2030		368	0.49
Public Service Company of Oklahoma 2.2%	145,000	US\$	15.08.2031		118	0.16
Quest Diagnostics 2.95%	123,000	US\$	30.06.2030		109	0.14
Regency Centers 2.95%	53,000	US\$	15.09.2029		47	0.06
Rexford Industrial Realty 2.125%	182,000	US\$	01.12.2030		149	0.20
Roper Technologies 1%	164,000	US\$	15.09.2025		154	0.20
Sabine Pass Liquefaction 4.2%	530,000	US\$	15.03.2028		512	0.68
Société Générale 4%	525,000	US\$	12.01.2027		504	0.67
Southwest Gas 4.05%	200,000	US\$	15.03.2032		183	0.24
Standard Chartered FRN	1,000,000	US\$	30.03.2026		983	1.30
Starbucks 2.55%	214,000	US\$	15.11.2030		185	0.24
Sysco 6.6%	58,000	US\$	01.04.2050		66	0.09
Targa Resources 6.5%	210,000	US\$	15.02.2053		225	0.30
Targa Resources Partners Via Targa Resources Partners Finance 4.875%	275,000	US\$	01.02.2031		264	0.35
Teck Resources 5.2%	164,000	US\$	01.03.2042		150	0.20
Teledyne Technologies 2.75%	529,000	US\$	01.04.2031		453	0.60
T-Mobile 2.25%	342,000	US\$	15.11.2031		280	0.37
T-Mobile 3.3%	299,000	US\$	15.02.2051		209	0.28

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BBB' credit rated bonds</b> (continued)						
T-Mobile 5.05%	295,000	US\$	15.07.2033		291	0.38
Truist Financial FRN	47,000	US\$	31.12.2099		46	0.06
Verisk Analytics 4%	511,000	US\$	15.06.2025		502	0.66
Verizon Communications 1.68%	233,000	US\$	30.10.2030		190	0.25
Verizon Communications 1.75%	369,000	US\$	20.01.2031		299	0.40
Verizon Communications 2.65%	210,000	US\$	20.11.2040		148	0.20
Vontier 2.95%	258,000	US\$	01.04.2031		215	0.28
Waste Connections 2.6%	116,000	US\$	01.02.2030		103	0.14
Waste Connections 3.5%	132,000	US\$	01.05.2029		124	0.16
Wells Fargo FRN	170,000	US\$	22.05.2028		162	0.21
Wells Fargo FRN	134,000	US\$	02.06.2028		123	0.16
Wells Fargo FRN	363,000	US\$	25.07.2033		350	0.46
Westpac Banking FRN	368,000	US\$	24.07.2034		340	0.45
Weyerhaeuser 4%	254,000	US\$	15.04.2030		240	0.32
Williams Companies 3.5%	144,000	US\$	15.10.2051		102	0.13
Williams Companies 4.65%	120,000	US\$	15.08.2032		115	0.15
Xcel Energy 5.45%	226,000	US\$	15.08.2033		224	0.30
Zimmer Biomet Holdings 2.6%	450,000	US\$	24.11.2031		379	0.50
<b>'BB' credit rated bonds</b>					<b>1,180</b>	<b>1.56</b>
EQM Midstream Partners 4.5%	286,000	US\$	15.01.2029		269	0.36
Freeport-McMoRan 5.45%	154,000	US\$	15.03.2043		147	0.19
Royal Caribbean Cruises 9.25%	240,000	US\$	15.01.2029		258	0.34
Southwestern Energy 4.75%	163,000	US\$	01.02.2032		150	0.20
Wells Fargo FRN	374,000	US\$	31.12.2099		356	0.47
<b>Debt derivatives</b>					<b>6</b>	<b>0.01</b>
<b>Interest rate futures</b>					<b>6</b>	<b>0.01</b>
US Treasury Notes 10 year Futures	(17)	US\$	18.06.2024	17	(10)	(0.01)
US Treasury Notes 30 year Futures	9	US\$	18.06.2024	9	14	0.02
US Treasury Notes 2 year Futures	23	US\$	28.06.2024	46	4	0.00

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt derivatives</b> (continued)						
<b>Interest rate futures</b> (continued)						
US Treasury Notes 5 year Futures	(8)	US\$	28.06.2024	8	(2)	0.00
<b>Portfolio of investments</b>					<b>72,860</b>	<b>96.35</b>
<b>Cash equivalents</b>					<b>2,044</b>	<b>2.70</b>
<b>'AAA' rated money market funds</b>						
Morgan Stanley Liquidity Funds – US Dollar Liquidity Fund Class 'IN' (Distribution)	2,044,000	US\$			<b>2,044</b>	<b>2.70</b>
<b>Total portfolio</b>					<b>74,904</b>	<b>99.05</b>
Net other assets/(liabilities)					716	0.95
<b>Net assets</b>					<b>75,620</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					72,854	96.34
Unrealised gains on futures contracts					18	0.02
<b>Total Investment assets</b>					<b>72,872</b>	<b>96.36</b>
<b>Investment liabilities</b>						
Unrealised losses on futures contracts					(12)	(0.01)
<b>Total Investment liabilities</b>					<b>(12)</b>	<b>(0.01)</b>
<b>Total portfolio</b>					<b>72,860</b>	<b>96.35</b>
<b>Cash equivalents</b>					<b>2,044</b>	<b>2.70</b>
<b>Net other assets/(liabilities)</b>					<b>716</b>	<b>0.95</b>
<b>Net assets</b>					<b>75,620</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Counterparty exposure

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Counterparty exposure

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Counterparty	Counterparty exposures
	Futures US\$'000
Bank of America Merrill Lynch	18

Exposure represents the sub-fund's exposure to that counterparty.



# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>US dollar</b>					
Class 'A' Accumulation	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'A' Distribution	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'C' Accumulation	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'C' Distribution	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'CI' Accumulation	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'CI' Distribution	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24
Class 'LI' Accumulation	n/a	n/a	n/a	+0.8 <sup>a</sup>	19.03.24

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	
Class 'A' Accumulation	1,001.000	10.0804	1.04 <sup>b</sup>
Class 'A' Distribution	1,000.000	10.0804	1.05 <sup>b</sup>
Class 'C' Accumulation	1,003.000	10.0810	0.79 <sup>b</sup>
Class 'C' Distribution	1,002.000	10.0810	0.79 <sup>b</sup>
Class 'CI' Accumulation	4,601.000	10.0819	0.41 <sup>b</sup>
Class 'CI' Distribution	4,600.000	10.0819	0.41 <sup>b</sup>
Class 'LI' Accumulation	7,504,602.000	10.0822	0.31 <sup>b</sup>

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<sup>b</sup> This sub-fund was launched 19 March 2024, therefore expenses have been annualised. As a result, the reported expense ratios may differ from the ongoing charges figures disclosed in the Key Investor Information Document which are produced on an ex-ante basis to provide a more reliable estimate of future charges.

NAV at sub-fund level	31.03.24 US\$'000
Net assets	75,620
Swing pricing adjustment (see note 10)	176
<b>Swing net assets</b>	<b>75,796</b>

# Investment review

## For the period from 21 March 2024 (launch date of the sub-fund) to 31 March 2024

### Performance review

The sub-fund aims to provide a higher total return (capital growth and income) than that of the US high yield corporate bond market, as represented by the ICE BofA US High Yield Constrained Index over any 5-year period, while applying environmental, social and governance (ESG) criteria.

It seeks to make these investments using an exclusionary approach, as described in the prospectus. At least 80% of the sub-fund is invested in high yield corporate bonds denominated in US dollars or hedged to US dollars, whose issuers may be located in any country, including emerging markets.

The sub-fund will typically invest directly, but may also take positions via derivative instruments. High yield corporate bonds typically pay higher rates of interest to compensate investors for the greater risk of default. The sub-fund manager will seek to provide exposure to a broad range of issuers across a variety of industrial sectors.

Most stockmarkets and bond markets around the world ended the first quarter in high spirits, posting gains in March. Several stockmarkets hit all-time highs, while developed market sovereign bonds recorded their first monthly gain of 2024.

In the US, the Dow Jones got to within a whisker of 40,000 and in Japan the Nikkei 225 passed through 40,000 for the first time. In terms of sectors, energy, mining stocks and financials featured particularly strongly.

More 'dovish' comments from some central banks proved to be a positive backdrop for sovereign bonds. Spreads continuing to tighten, provided further support for investment grade bonds and within emerging markets, hard currency sovereign bonds outperformed local currency markets.

In the US, Federal Reserve Chair Jerome Powell said the central bank was not far from reaching the confidence it needs that 'inflation is moving sustainably down to 2%'. Meanwhile, confidence among investors that the European Central Bank (ECB) will cut interest rates this June increased after the ECB's monetary policy meeting. The ECB left rates unchanged, but revised its forecast as to when inflation will get back to its 2% target, to 2025, rather than 2026.

In the currency markets, the US dollar generally strengthened against most major currencies in the month, whilst the yen weakened, despite the Bank of Japan (BoJ) ending its negative interest rate policy. The BoJ raised interest rates, for the first time since 2007.

March saw solid performance from the high yield (HY) market, with global HY delivering 1.1% during the month, taking year-to-date returns to 2.0%. Most sectors delivered solid performance in the month, aside from telecommunications and cable, which were down 2% and 0.1% respectively. It was the busiest quarter for HY issuance in over two years; however, the pace moderated during March and is expected to continue along this trajectory going forward. US HY returned 1.2% in March and 1.5% year to date.

### Outlook

High yield corporate issuers' fundamentals have, so far, held up reasonably well. This is largely thanks to buoyant consumption and pre-emptive corporate refinancings that have enabled issuers to lengthen their maturity profile at attractive rates.

Nevertheless, as developed economies slow and the impact of higher interest rates starts biting into corporate balance sheets, we would expect to see an uptick in default rates. Our base-case scenario remains that of a mild default cycle, which would not be too damaging for the corporate sector. As HY markets continue to see inflows and issuances remain light as compared to previous years, technical elements (supply/demand imbalances and attractive all-in yields) continue to contain credit spreads. Against a backdrop of moderate interest rate cuts, contained spreads and a

# Investment review

mild default environment, the asset class could still deliver good returns over the next 12 months, in our view.

**Nikhil Patel, Erica Tully and Anthony Balestrieri**

Co-sub-fund managers

Investment review information as at 31 March 2024.

Employee of M&G FA Limited which is an associate of M&G Luxembourg S.A.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

## Compliance of the sub-fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The sub-fund is categorised as an Article 8 fund under SFDR. Information related to environmental and social characteristics promoted by the sub-fund required to be disclosed under SFDR is available in Annex 1.

# Statement of investments

## Statement of investments

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b>					<b>68,328</b>	<b>91.12</b>
<b>Debt securities</b>					<b>68,328</b>	<b>91.12</b>
<b>'BBB' credit rated bonds</b>					<b>4,846</b>	<b>6.46</b>
BNP Paribas FRN	225,000	US\$	31.12.2099		204	0.27
Centene 4.25%	350,000	US\$	15.12.2027		334	0.44
DCP Midstream Operating 6.75%	420,000	US\$	15.09.2037		455	0.61
Ford Motor Credit 4%	890,000	US\$	13.11.2030		795	1.06
HCA 5.375%	800,000	US\$	01.02.2025		798	1.06
LPL Holdings 4%	594,000	US\$	15.03.2029		547	0.73
Meritage Homes 3.875%	570,000	US\$	15.04.2029		524	0.70
Mileage Plus Holdings Via Mileage Plus Intellectual Property Assets 6.5%	325,000	US\$	20.06.2027		327	0.44
Sprint 7.125%	860,000	US\$	15.06.2024		862	1.15
<b>'BB' credit rated bonds</b>					<b>33,996</b>	<b>45.34</b>
1011778 BC Via New Red Finance 3.875%	450,000	US\$	15.01.2028		423	0.56
Advance Auto Parts 3.5%	170,000	US\$	15.03.2032		145	0.19
AerCap Global Aviation Trust FRN	400,000	US\$	15.06.2045		399	0.53
Air Canada 3.875%	400,000	US\$	15.08.2026		382	0.51
Albertsons Companies Via Safeway Via New Albertsons Via Albertsons 3.5%	700,000	US\$	15.03.2029		631	0.84
Ally Financial 6.7%	250,000	US\$	14.02.2033		253	0.34
American Airlines Via AAdvantage Loyalty 5.5%	375,000	US\$	20.04.2026		373	0.50
Antero Midstream Partners Via Antero Midstream Finance 6.625%	500,000	US\$	01.02.2032		503	0.67
Antero Resources 5.375%	400,000	US\$	01.03.2030		384	0.51
Ashton Woods USA Via Ashton Woods Finance 4.625%	200,000	US\$	01.04.2030		183	0.24
Avantor Funding 3.875%	350,000	US\$	01.11.2029		316	0.42
Banco Santander FRN	400,000	US\$	31.12.2099		428	0.57
Bath & Body Works 6.75%	190,000	US\$	01.07.2036		192	0.26
Calpine 3.75%	350,000	US\$	01.03.2031		306	0.41
CCO Holdings Via CCO Holdings Capital 4.25%	800,000	US\$	01.02.2031		652	0.87
CCO Holdings Via CCO Holdings Capital 4.5%	750,000	US\$	01.06.2033		586	0.78
CCO Holdings Via CCO Holdings Capital 4.75%	600,000	US\$	01.03.2030		517	0.69
Cemex FRN	720,000	US\$	31.12.2099		782	1.04

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Civitas Resources 8.625%	350,000	US\$	01.11.2030		376	0.50
Clean Harbors 6.375%	350,000	US\$	01.02.2031		353	0.47
CNX Resources 7.25%	550,000	US\$	01.03.2032		561	0.75
Coty Via HFC Prestige Products Via HFC Prestige International 6.625%	500,000	US\$	15.07.2030		507	0.68
Cushman & Wakefield US Borrower 6.75%	200,000	US\$	15.05.2028		198	0.26
Darling Ingredients 6%	400,000	US\$	15.06.2030		397	0.53
Delta Air Lines 3.75%	300,000	US\$	28.10.2029		275	0.37
Domtar 6.75%	400,000	US\$	01.10.2028		364	0.49
DT Midstream 4.125%	400,000	US\$	15.06.2029		368	0.49
Edison International FRN	250,000	US\$	15.06.2053		259	0.35
EQM Midstream Partners 6.5%	350,000	US\$	15.07.2048		352	0.47
EQM Midstream Partners 7.5%	200,000	US\$	01.06.2030		214	0.29
Hilcorp Energy I Via Hilcorp Finance 8.375%	350,000	US\$	01.11.2033		379	0.51
Icahn Enterprises Via Icahn Enterprises Finance 5.25%	650,000	US\$	15.05.2027		603	0.80
IHO Verwaltungs 4.75%	400,000	US\$	15.09.2026		390	0.52
ILFC E-Capital Trust I FRN	420,000	US\$	21.12.2065		328	0.44
Iron Mountain 4.875%	420,000	US\$	15.09.2027		406	0.54
Jaguar Land Rover Automotive 4.5%	360,000	US\$	01.10.2027		341	0.45
Jaguar Land Rover Automotive 7.75%	260,000	US\$	15.10.2025		263	0.35
Jazz Securities 4.375%	810,000	US\$	15.01.2029		754	1.01
KFC Holding Via Pizza Hut Holdings Via Taco Bell of America 4.75%	550,000	US\$	01.06.2027		536	0.72
Kohl's 4.625%	420,000	US\$	01.05.2031		353	0.47
Macquarie Airfinance Holdings 8.125%	560,000	US\$	30.03.2029		592	0.79
Macy's Retail Holdings 4.5%	200,000	US\$	15.12.2034		177	0.24
Macy's Retail Holdings 5.875%	300,000	US\$	15.03.2030		291	0.39
Matador Resources 6.5%	300,000	US\$	15.04.2032		301	0.40
Midas Opco Holdings 5.625%	500,000	US\$	15.08.2029		453	0.60
Mineral Resources 8.5%	400,000	US\$	01.05.2030		413	0.55

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
Molina Healthcare 3.875%	420,000	US\$	15.11.2030		373	0.50
MPT Operating Partnership Via MPT Finance 3.5%	200,000	US\$	15.03.2031		134	0.18
MPT Operating Partnership Via MPT Finance 5.25%	600,000	US\$	01.08.2026		539	0.72
Newell Brands 6.375%	500,000	US\$	15.09.2027		493	0.66
NextEra Energy Operating Partners 7.25%	500,000	US\$	15.01.2029		512	0.68
Occidental Petroleum 6.2%	450,000	US\$	15.03.2040		461	0.62
Organon & Co Via Organon Foreign Debt Co-Issuer 5.125%	300,000	US\$	30.04.2031		265	0.35
Permian Resources Operating 7%	400,000	US\$	15.01.2032		415	0.55
PG&E 5.25%	1,000,000	US\$	01.07.2030		952	1.27
Post Holdings 6.25%	700,000	US\$	15.02.2032		707	0.94
Prestige Brands 5.125%	850,000	US\$	15.01.2028		829	1.11
Prime Security Services Borrower Via Prime Finance 5.75%	400,000	US\$	15.04.2026		399	0.53
Rakuten Group 11.25%	540,000	US\$	15.02.2027		573	0.76
Rand Parent 8.5%	300,000	US\$	15.02.2030		297	0.40
Range Resources 4.75%	400,000	US\$	15.02.2030		373	0.50
Royal Caribbean Cruises 5.5%	750,000	US\$	01.04.2028		741	0.99
Sirius XM Radio 4.125%	500,000	US\$	01.07.2030		436	0.58
Sonic Automotive 4.875%	390,000	US\$	15.11.2031		341	0.45
Southwestern Energy 4.75%	450,000	US\$	01.02.2032		414	0.55
Spirit AeroSystems 9.375%	250,000	US\$	30.11.2029		273	0.36
Spirit Loyalty Cayman Via Spirit IP Cayman 8%	350,000	US\$	20.09.2025		264	0.35
Starwood Property Trust 3.625%	400,000	US\$	15.07.2026		377	0.50
Stericycle 3.875%	400,000	US\$	15.01.2029		363	0.48
Synchrony Financial 7.25%	200,000	US\$	02.02.2033		198	0.26
Talen Energy Supply 8.625%	850,000	US\$	01.06.2030		909	1.21
Taylor Morrison Communities 5.875%	200,000	US\$	15.06.2027		200	0.27
TEGNA 4.625%	250,000	US\$	15.03.2028		230	0.31
Tenet Healthcare 4.375%	500,000	US\$	15.01.2030		462	0.62
Teva Pharmaceutical Finance Netherlands III 3.15%	700,000	US\$	01.10.2026		655	0.87

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'BB' credit rated bonds</b> (continued)						
United Airlines 4.375%	430,000	US\$	15.04.2026		415	0.55
United Rentals 3.875%	600,000	US\$	15.02.2031		538	0.72
United States Cellular 6.7%	240,000	US\$	15.12.2033		234	0.31
Vertiv Group 4.125%	320,000	US\$	15.11.2028		299	0.40
Western Digital 4.75%	300,000	US\$	15.02.2026		293	0.39
Xerox Holdings 5.5%	350,000	US\$	15.08.2028		319	0.43
ZF North America Capital 7.125%	430,000	US\$	14.04.2030		454	0.61
<b>'B' credit rated bonds</b>					<b>21,256</b>	<b>28.35</b>
AdaptHealth 5.125%	350,000	US\$	01.03.2030		305	0.41
AdaptHealth 6.125%	350,000	US\$	01.08.2028		329	0.44
American Axle & Manufacturing 5%	250,000	US\$	01.10.2029		225	0.30
AmeriTex HoldCo Intermediate 10.25%	620,000	US\$	15.10.2028		666	0.89
APX Group 5.75%	750,000	US\$	15.07.2029		723	0.96
Archrock Partners Via Archrock Partners Finance 6.25%	350,000	US\$	01.04.2028		346	0.46
Ascent Resources Utica Holdings Via ARU Finance 5.875%	570,000	US\$	30.06.2029		543	0.72
Beazer Homes 5.875%	350,000	US\$	15.10.2027		343	0.46
Beazer Homes 7.25%	200,000	US\$	15.10.2029		202	0.27
Blue Racer Midstream Via Blue Racer Finance 6.625%	350,000	US\$	15.07.2026		349	0.47
Bombardier 7.5%	440,000	US\$	01.02.2029		454	0.61
Boxer Parent 7.125%	550,000	US\$	02.10.2025		550	0.73
Brookfield Property REIT Via BPR Cumulus Via BPR Nimbus Via GGSI Sellco 4.5%	300,000	US\$	01.04.2027		274	0.37
CHS Via Community Health Systems 8%	400,000	US\$	15.12.2027		392	0.52
Cloud Software Group 9%	200,000	US\$	30.09.2029		191	0.25
Comstock Resources 5.875%	800,000	US\$	15.01.2030		725	0.97
CSC Holdings 11.75%	500,000	US\$	31.01.2029		502	0.67
Dave & Buster's 7.625%	500,000	US\$	01.11.2025		505	0.67
DaVita 4.625%	540,000	US\$	01.06.2030		481	0.64
EquipmentShare.com 9%	500,000	US\$	15.05.2028		516	0.69

The accompanying notes to the financial statements are an integral part of these financial statements.



## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Fortress Transportation and Infrastructure Investors 5.5%	400,000	US\$	01.05.2028		387	0.52
Forward Air 9.5%	400,000	US\$	15.10.2031		399	0.53
Frontier Communications Holdings 5.875%	500,000	US\$	15.10.2027		484	0.65
GFL Environmental 4%	350,000	US\$	01.08.2028		323	0.43
Gray Television 7%	200,000	US\$	15.05.2027		186	0.25
Grifols 4.75%	650,000	US\$	15.10.2028		538	0.72
Hanesbrands 9%	220,000	US\$	15.02.2031		225	0.30
Hawaiian Brand Intellectual Property Via HawaiianMiles Loyalty 5.75%	200,000	US\$	20.01.2026		188	0.25
Herbalife Nutrition Via HLF Financing 7.875%	400,000	US\$	01.09.2025		401	0.53
Husky Injection Molding Systems Via Titan Co-Borrower 9%	250,000	US\$	15.02.2029		260	0.35
iHeartCommunications 6.375%	200,000	US\$	01.05.2026		170	0.23
Illuminate Buyer Via Illuminate Holdings IV 9%	350,000	US\$	01.07.2028		346	0.46
McGraw-Hill Education 5.75%	300,000	US\$	01.08.2028		283	0.38
MIWD Holdco II Via MIWD Finance 5.5%	300,000	US\$	01.02.2030		276	0.37
ModivCare 5.875%	550,000	US\$	15.11.2025		537	0.72
Moss Creek Resources Holdings 7.5%	200,000	US\$	15.01.2026		200	0.27
Moss Creek Resources Holdings 10.5%	250,000	US\$	15.05.2027		257	0.34
NCL 7.75%	700,000	US\$	15.02.2029		727	0.97
NCR Voyix 5.125%	450,000	US\$	15.04.2029		418	0.56
NMG Holding Via Neiman Marcus Group 7.125%	370,000	US\$	01.04.2026		362	0.48
Norwegian Cruise Line Holdings 5.875%	450,000	US\$	15.03.2026		445	0.59
Owens & Minor 6.625%	400,000	US\$	01.04.2030		396	0.53
Owens-Brockway Glass Container 7.25%	300,000	US\$	15.05.2031		305	0.41
PetSmart Via PetSmart Finance 7.75%	250,000	US\$	15.02.2029		244	0.32
QVC 4.75%	210,000	US\$	15.02.2027		188	0.25
Service Properties Trust 3.95%	650,000	US\$	15.01.2028		555	0.74
Star Parent 9%	400,000	US\$	01.10.2030		423	0.56
Sunnova Energy 5.875%	100,000	US\$	01.09.2026		78	0.10

The accompanying notes to the financial statements are an integral part of these financial statements.

## Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'B' credit rated bonds</b> (continued)						
Sunnova Energy 11.75%	100,000	US\$	01.10.2028		78	0.10
Tenneco 8%	250,000	US\$	17.11.2028		228	0.30
Transocean 7.5%	650,000	US\$	15.01.2026		646	0.86
Uniti Group Via Uniti Group Finance Via CSL Capital 4.75%	500,000	US\$	15.04.2028		438	0.58
USA Compression Partners Via USA Compression Finance 6.875%	350,000	US\$	01.09.2027		351	0.47
Viking Cruises 9.125%	800,000	US\$	15.07.2031		876	1.17
Windstream Escrow Via Windstream Escrow Finance 7.75%	450,000	US\$	15.08.2028		417	0.56
					<b>8,230</b>	<b>10.97</b>
<b>'CCC' credit rated bonds</b>						
Allied Universal Holdco Via Allied Universal Finance 6%	600,000	US\$	01.06.2029		516	0.69
Bausch Health 7.25%	100,000	US\$	30.05.2029		44	0.06
Bausch Health 9%	590,000	US\$	15.12.2025		566	0.75
BCPE Empire Holdings 7.625%	750,000	US\$	01.05.2027		731	0.97
Carvana 14%	260,000	US\$	01.06.2031		261	0.35
CHS Via Community Health Systems 6.875%	300,000	US\$	15.04.2029		224	0.30
Community Health Systems 6.875%	100,000	US\$	01.04.2028		70	0.09
CP Atlas Buyer 7%	200,000	US\$	01.12.2028		187	0.25
CSC Holdings 4.625%	200,000	US\$	01.12.2030		101	0.13
DISH DBS 5.875%	550,000	US\$	15.11.2024		525	0.70
Frontier Communications Holdings 6.75%	550,000	US\$	01.05.2029		489	0.65
FXI Holdings 12.25%	350,000	US\$	15.11.2026		350	0.47
Glatfelter 4.75%	650,000	US\$	15.11.2029		553	0.74
IAMGOLD 5.75%	210,000	US\$	15.10.2028		193	0.26
McGraw-Hill Education 8%	200,000	US\$	01.08.2029		188	0.25
SCIH Salt Holdings 6.625%	400,000	US\$	01.05.2029		372	0.50
Sigma Holdco 7.875%	500,000	US\$	15.05.2026		479	0.64
Staples 10.75%	400,000	US\$	15.04.2027		381	0.51
TK Elevator Holdco 7.625%	300,000	US\$	15.07.2028		295	0.39
Triton Water Holdings 6.25%	450,000	US\$	01.04.2029		410	0.55

The accompanying notes to the financial statements are an integral part of these financial statements.

# Statement of investments

## Statement of investments (continued)

Investment description	Holdings/ contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
<b>Fixed income</b> (continued)						
<b>Debt securities</b> (continued)						
<b>'CCC' credit rated bonds</b> (continued)						
Triumph Group 9%	430,000	US\$	15.03.2028		454	0.60
Trivium Packaging Finance 8.5%	400,000	US\$	15.08.2027		395	0.53
Unifrax Escrow Issuer 5.25%	550,000	US\$	30.09.2028		362	0.48
United Natural Foods 6.75%	100,000	US\$	15.10.2028		84	0.11
<b>Portfolio of investments</b>					<b>68,328</b>	<b>91.12</b>
<b>Total portfolio</b>					<b>68,328</b>	<b>91.12</b>
Net other assets/(liabilities)					6,656	8.88
<b>Net assets</b>					<b>74,984</b>	<b>100.00</b>
<b>Portfolio summary</b>					<b>Market value US\$'000</b>	<b>% of net assets</b>
<b>Investment assets</b>						
Debt securities					68,328	91.12
<b>Total Investment assets</b>					<b>68,328</b>	<b>91.12</b>
<b>Total portfolio</b>					<b>68,328</b>	<b>91.12</b>
<b>Net other assets/(liabilities)</b>					<b>6,656</b>	<b>8.88</b>
<b>Net assets</b>					<b>74,984</b>	<b>100.00</b>

All securities are on an official stock exchange listing except where referenced.

Interest rates represent the stated coupon rate.

Maturity dates represent either the stated date on the security or the prerefunded date for those types of securities.

# Financial highlights

## Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

### Long-term performance by share class as at 31 March 2024

	One year %	Three years % pa	Five years % pa	Since launch % pa	Launch date of the sub-fund share class
<b>US dollar</b>					
Class 'A' Accumulation	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'A' Distribution	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'C' Accumulation	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'C' Distribution	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'CI' Accumulation	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'CI' Distribution	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24
Class 'LI' Accumulation	n/a	n/a	n/a	+0.1 <sup>a</sup>	21.03.24

<sup>a</sup> Not annualised.

# Financial highlights

## Shares in issue, Net Asset Values (NAV) and Total Expense Ratios (TER)

The various classes of shares in issue have equivalent rights in the Fund, but carry different features and charging structures detailed in note 6 which are more fully described in the Fund's Prospectus.

The following table shows shares in issue at 31 March 2024, Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 10 to the Financial Statements (also known as the price per share) at 31 March 2024 and Total Expense Ratios (TER) for the year ended to 31 March 2024.

### Shares in issue, Net Asset Values and Total Expense Ratios

	Shares outstanding as at 31.03.24	NAV per share as at 31.03.24	TER <sup>a</sup> (%) as at 31.03.24
<b>US dollar</b>		<b>US\$</b>	
Class 'A' Accumulation	1,001.000	10.0120	1.77 <sup>b</sup>
Class 'A' Distribution	1,000.000	10.0120	1.77 <sup>b</sup>
Class 'C' Accumulation	1,003.000	10.0132	1.18 <sup>b</sup>
Class 'C' Distribution	1,002.000	10.0132	1.18 <sup>b</sup>
Class 'CI' Accumulation	4,601.000	10.0141	0.68 <sup>b</sup>
Class 'CI' Distribution	4,600.000	10.0141	0.68 <sup>b</sup>
Class 'LI' Accumulation	7,504,602.000	10.0146	0.43 <sup>b</sup>

<sup>a</sup> Includes charges from underlying investments. Please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at mandg.lu).

<sup>b</sup> This sub-fund was launched 21 March 2024, therefore expenses have been annualised. As a result, the reported expense ratios may differ from the ongoing charges figures disclosed in the Key Investor Information Document which are produced on an ex-ante basis to provide a more reliable estimate of future charges.

NAV at sub-fund level	31.03.24 US\$'000
Net assets	74,984
Swing pricing adjustment (see note 10)	304
<b>Swing net assets</b>	<b>75,288</b>

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Better Health Solutions Fund US\$'000	M&G (Lux) Climate Solutions Fund US\$'000	M&G (Lux) Diversity and Inclusion Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>60,918</b>	<b>13,757</b>	<b>11,163</b>	<b>19,041</b>
<b>Cash and bank balances</b>	2c				
Cash held as bank balances	2c	514	294	467	573
<b>Total cash and bank balances</b>		<b>514</b>	<b>294</b>	<b>467</b>	<b>573</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		31	0	0	0
Debt security interest receivable	2c	1	0	0	0
Dividends receivable	2d	234	17	10	95
Sales awaiting settlement	2c	162	0	0	0
<b>Total other assets</b>		<b>428</b>	<b>17</b>	<b>10</b>	<b>95</b>
<b>Total assets</b>		<b>61,860</b>	<b>14,068</b>	<b>11,640</b>	<b>19,709</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	(8)	0	0	0
<b>Total overdraft</b>		<b>(8)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(6)	(2)	(1)	(2)
Amounts payable on cancellation of shares	2d	(32)	0	(5)	0
Annual management charge payable	2d, 6	(64)	(3)	(1)	(1)
Depositary's charge payable	2d, 7	(1)	(1)	0	(1)
Other payable	2d	(104)	0	0	0
Purchases awaiting settlement	2d	(53)	0	0	0
Safe custody charges payable	2d, 7	(4)	0	(1)	0
<i>Taxe d'abonnement</i> payable	2d, 9	(6)	0	0	(1)
<b>Total other liabilities</b>		<b>(270)</b>	<b>(6)</b>	<b>(8)</b>	<b>(5)</b>
<b>Total liabilities</b>		<b>(278)</b>	<b>(6)</b>	<b>(8)</b>	<b>(5)</b>
<b>Net assets</b>		<b>61,582</b>	<b>14,062</b>	<b>11,632</b>	<b>19,704</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Dynamic Allocation Fund €'000	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000	M&G (Lux) Episode Macro Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>1,863,242</b>	<b>3,504,319</b>	<b>94,449</b>	<b>476,328</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	67,604	0	0	22,327
Cash equivalents	2c	0	77,136	0	0
Cash held as bank balances	2c	114,667	1,364	950	12,453
Cash held on deposit	2c	90,635	4,075	0	2,620
<b>Total cash and bank balances</b>		<b>272,906</b>	<b>82,575</b>	<b>950</b>	<b>37,400</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		714	2,568	15	331
Debt security interest receivable	2c	9,622	64,406	1,520	0
Dividends receivable	2d	1,498	2	0	6
Other receivable	2d	419	4	1	0
Sales awaiting settlement	2c	479	1,305	30	0
<b>Total other assets</b>		<b>12,732</b>	<b>68,285</b>	<b>1,566</b>	<b>337</b>
<b>Total assets</b>		<b>2,148,880</b>	<b>3,655,179</b>	<b>96,965</b>	<b>514,065</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(7,316)</b>	<b>(4,739)</b>	<b>(59)</b>	<b>(5,131)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	(12,820)	(19,855)	0	(6)
Overdrawn positions at futures clearing houses and collateral manager	2c	(198)	(1)	0	0
<b>Total overdraft</b>		<b>(13,018)</b>	<b>(19,856)</b>	<b>0</b>	<b>(6)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(174)	(261)	(9)	(50)
Amounts payable on cancellation of shares	2d	(4,566)	(1,644)	0	(174)
Annual management charge payable	2d, 6	(1,891)	(1,532)	(35)	(467)
Audit fee payable	2d	(16)	(19)	0	(18)
Custody transaction charges payable	2d, 7	(70)	(48)	0	(25)
Depository's charge payable	2d, 7	(44)	(66)	(3)	(14)
Share class hedging charge payable	2d, 6	(1)	(4)	0	(5)
Other payable	2d	(64,807)	(5)	0	(1)
Performance fee payable	2f	0	0	0	(85)
Purchases awaiting settlement	2d	(1,290)	0	0	0

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Dynamic Allocation Fund €'000	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000	M&G (Lux) Episode Macro Fund US\$'000
Safe custody charges payable	2d, 7	(38)	(82)	(1)	(4)
<i>Taxe d'abonnement</i> payable	2d, 9	(208)	(189)	(3)	(26)
<b>Total other liabilities</b>		<b>(73,105)</b>	<b>(3,850)</b>	<b>(51)</b>	<b>(869)</b>
<b>Total liabilities</b>		<b>(93,439)</b>	<b>(28,445)</b>	<b>(110)</b>	<b>(6,006)</b>
<b>Net assets</b>		<b>2,055,441</b>	<b>3,626,734</b>	<b>96,855</b>	<b>508,059</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Euro Corporate Bond Fund €'000	M&G (Lux) European Inflation Linked Corporate Bond Fund €'000	M&G (Lux) European Strategic Value Fund €'000	M&G (Lux) Fixed Maturity Bond Fund 2 €'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>169,928</b>	<b>70,311</b>	<b>1,847,407</b>	<b>430,677</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	273	195	0	0
Cash equivalents	2c	1,220	614	5,920	371
Cash held as bank balances	2c	501	894	14,386	393
Cash held on deposit	2c	800	2,863	0	0
<b>Total cash and bank balances</b>		<b>2,794</b>	<b>4,566</b>	<b>20,306</b>	<b>764</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		151	131	11,363	0
Debt security interest receivable	2c	1,605	369	0	3,199
Derivative income receivable	2d	0	9	0	0
Dividends receivable	2d	0	0	8,075	0
Other receivable	2d	1	0	2	0
Sales awaiting settlement	2c	0	1,165	917	0
<b>Total other assets</b>		<b>1,757</b>	<b>1,674</b>	<b>20,357</b>	<b>3,199</b>
<b>Total assets</b>		<b>174,479</b>	<b>76,551</b>	<b>1,888,070</b>	<b>434,640</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(54)</b>	<b>(126)</b>	<b>0</b>	<b>0</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	0	(252)	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	(660)	0	0
<b>Total overdraft</b>		<b>0</b>	<b>(912)</b>	<b>0</b>	<b>0</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(17)	(8)	(156)	0
Amounts payable on cancellation of shares	2d	(152)	(470)	(20,729)	(147)
Annual management charge payable	2d, 6	(36)	(22)	(1,040)	(180)
Audit fee payable	2d	(6)	0	(13)	0
Custody transaction charges payable	2d, 7	0	0	(20)	0
Depository's charge payable	2d, 7	(5)	(3)	(36)	0
Purchases awaiting settlement	2d	(498)	0	(1,866)	0
Safe custody charges payable	2d, 7	(1)	(1)	(14)	0
Taxe d'abonnement payable	2d, 9	(39)	(9)	(104)	0
<b>Total other liabilities</b>		<b>(754)</b>	<b>(513)</b>	<b>(23,978)</b>	<b>(327)</b>
<b>Total liabilities</b>		<b>(808)</b>	<b>(1,551)</b>	<b>(23,978)</b>	<b>(327)</b>
<b>Net assets</b>		<b>173,671</b>	<b>75,000</b>	<b>1,864,092</b>	<b>434,313</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Fixed Maturity Bond Fund 3 €'000	M&G (Lux) Global Artificial Intelligence Fund US\$'000	M&G (Lux) Global Convertibles Fund US\$'000	M&G (Lux) Global Corporate Bond Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>98,086</b>	<b>116,158</b>	<b>189,530</b>	<b>167,623</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	1,203	0	0	925
Cash equivalents	2c	2,888	2,634	3,851	4,689
Cash held as bank balances	2c	1,400	1,115	285	2,201
Cash held on deposit	2c	280	0	0	3,220
<b>Total cash and bank balances</b>		<b>5,771</b>	<b>3,749</b>	<b>4,136</b>	<b>11,035</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		0	3	156	318
Debt security interest receivable	2c	1,302	6	745	1,947
Derivative income receivable	2d	0	0	0	1
Dividends receivable	2d	0	113	45	0
Other receivable	2d	0	0	0	40
Sales awaiting settlement	2c	0	19	2,589	0
<b>Total other assets</b>		<b>1,302</b>	<b>141</b>	<b>3,535</b>	<b>2,306</b>
<b>Total assets</b>		<b>105,159</b>	<b>120,048</b>	<b>197,201</b>	<b>180,964</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(599)</b>	<b>0</b>	<b>(318)</b>	<b>(713)</b>
<b>Cash and bank balances</b>	2c				
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	(127)
<b>Total overdraft</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(127)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	0	(12)	(19)	(18)
Amounts payable on cancellation of shares	2d	0	0	(639)	(313)
Annual management charge payable	2d, 6	(20)	(24)	(141)	(48)
Audit fee payable	2d	0	0	(13)	(17)
Custody transaction charges payable	2d, 7	0	0	(6)	(30)
Depository's charge payable	2d, 7	0	(2)	(6)	(7)
Share class hedging charge payable	2d, 6	0	0	(1)	(1)
Purchases awaiting settlement	2d	(100)	0	(1,683)	(752)
Safe custody charges payable	2d, 7	0	(1)	(2)	(2)
Taxe d'abonnement payable	2d, 9	0	(3)	(23)	0
<b>Total other liabilities</b>		<b>(120)</b>	<b>(42)</b>	<b>(2,533)</b>	<b>(1,188)</b>
<b>Total liabilities</b>		<b>(719)</b>	<b>(42)</b>	<b>(2,851)</b>	<b>(2,028)</b>
<b>Net assets</b>		<b>104,440</b>	<b>120,006</b>	<b>194,350</b>	<b>178,936</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Global Dividend Fund US\$'000	M&G (Lux) Global Emerging Markets Fund US\$'000	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>3,191,529</b>	<b>124,998</b>	<b>1,859,958</b>	<b>54,247</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	0	0	0	185
Cash equivalents	2c	29,055	2,788	212,414	2,033
Cash held as bank balances	2c	15,213	624	50,594	321
Cash held on deposit	2c	0	0	31,285	300
<b>Total cash and bank balances</b>		<b>44,268</b>	<b>3,412</b>	<b>294,293</b>	<b>2,839</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		2,575	146	7,815	16
Debt security interest receivable	2c	156	8	19,842	908
Derivative income receivable	2d	0	0	233	0
Dividends receivable	2d	17,859	824	0	0
Other receivable	2d	0	0	1	0
Sales awaiting settlement	2c	16,543	279	0	0
<b>Total other assets</b>		<b>37,133</b>	<b>1,257</b>	<b>27,891</b>	<b>924</b>
<b>Total assets</b>		<b>3,272,930</b>	<b>129,667</b>	<b>2,182,142</b>	<b>58,010</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>0</b>	<b>(35)</b>	<b>(7,552)</b>	<b>(268)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	(278)	0	0	(412)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(15,880)	0
<b>Total overdraft</b>		<b>(278)</b>	<b>0</b>	<b>(15,880)</b>	<b>(412)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(235)	(13)	(179)	(7)
Amounts payable on cancellation of shares	2d	(6,453)	(41)	(4,339)	(128)
Annual management charge payable	2d, 6	(2,852)	(99)	(995)	(33)
Audit fee payable	2d	(16)	0	(40)	0
Custody transaction charges payable	2d, 7	(38)	0	(49)	0
Depository's charge payable	2d, 7	(64)	(3)	(42)	(2)
Share class hedging charge payable	2d, 6	0	0	(17)	(1)
Other payable	2d	0	(36)	0	0
Purchases awaiting settlement	2d	(4,245)	(17)	(11,104)	(244)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Global Dividend Fund US\$'000	M&G (Lux) Global Emerging Markets Fund US\$'000	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000
Safe custody charges payable	2d, 7	(22)	(10)	(17)	0
<i>Taxe d'abonnement</i> payable	2d, 9	(330)	(12)	(212)	(9)
<b>Total other liabilities</b>		<b>(14,255)</b>	<b>(231)</b>	<b>(16,994)</b>	<b>(424)</b>
<b>Total liabilities</b>		<b>(14,533)</b>	<b>(266)</b>	<b>(40,426)</b>	<b>(1,104)</b>
<b>Net assets</b>		<b>3,258,397</b>	<b>129,401</b>	<b>2,141,716</b>	<b>56,906</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Global Listed Infrastructure Fund US\$'000	M&G (Lux) Global Macro Bond Fund US\$'000	M&G (Lux) Global Maxima Fund US\$'000	M&G (Lux) Global Sustain Paris Aligned Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>1,973,843</b>	<b>528,657</b>	<b>231,248</b>	<b>459,832</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	0	4,236	0	0
Cash equivalents	2c	10,310	7,958	0	17,433
Cash held as bank balances	2c	10,955	5,577	919	2,408
Cash held on deposit	2c	0	12,195	0	0
<b>Total cash and bank balances</b>		<b>21,265</b>	<b>29,966</b>	<b>919</b>	<b>19,841</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		1,833	240	270	710
Debt security interest receivable	2c	39	5,528	0	53
Dividends receivable	2d	5,946	0	624	392
Sales awaiting settlement	2c	170	0	0	121
<b>Total other assets</b>		<b>7,988</b>	<b>5,768</b>	<b>894</b>	<b>1,276</b>
<b>Total assets</b>		<b>2,003,096</b>	<b>564,391</b>	<b>233,061</b>	<b>480,949</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(4)</b>	<b>(7,983)</b>	<b>0</b>	<b>0</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	(1,563)	0	(7)	0
<b>Total overdraft</b>		<b>(1,563)</b>	<b>0</b>	<b>(7)</b>	<b>0</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(171)	(56)	(23)	(46)
Amounts payable on cancellation of shares	2d	(6,592)	(1,019)	(9)	(5,105)
Annual management charge payable	2d, 6	(1,688)	(366)	(31)	(338)
Audit fee payable	2d	(10)	(34)	0	(18)
Custody transaction charges payable	2d, 7	(76)	(39)	0	(26)
Depository's charge payable	2d, 7	(51)	(17)	(7)	(11)
Share class hedging charge payable	2d, 6	0	(1)	0	0
Other payable	2d	(65)	0	(110)	(218)
Purchases awaiting settlement	2d	(993)	0	0	0
Safe custody charges payable	2d, 7	(12)	(9)	(7)	(5)
Taxe d'abonnement payable	2d, 9	(190)	(47)	(8)	(45)
<b>Total other liabilities</b>		<b>(9,848)</b>	<b>(1,588)</b>	<b>(195)</b>	<b>(5,812)</b>
<b>Total liabilities</b>		<b>(11,415)</b>	<b>(9,571)</b>	<b>(202)</b>	<b>(5,812)</b>
<b>Net assets</b>		<b>1,991,681</b>	<b>554,820</b>	<b>232,859</b>	<b>475,137</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Global Target Return Fund €'000	M&G (Lux) Global Themes Fund US\$'000	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>19,892</b>	<b>671,380</b>	<b>1,015,812</b>	<b>120,327,371</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	893	0	2,490	0
Cash equivalents	2c	0	2,161	0	0
Cash held as bank balances	2c	21,332	3,697	10,782	1,995,266
Cash held on deposit	2c	20,646	0	12,765	0
<b>Total cash and bank balances</b>		<b>42,871</b>	<b>5,858</b>	<b>26,037</b>	<b>1,995,266</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		12	411	733	73,401
Debt security interest receivable	2c	175	13	8,339	0
Dividends receivable	2d	22	1,138	1,918	1,018,608
Sales awaiting settlement	2c	0	4,981	0	0
<b>Total other assets</b>		<b>209</b>	<b>6,543</b>	<b>10,990</b>	<b>1,092,009</b>
<b>Total assets</b>		<b>62,972</b>	<b>683,781</b>	<b>1,052,839</b>	<b>123,414,646</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(272)</b>	<b>0</b>	<b>(3,288)</b>	<b>(18,132)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	(50)	0	(9,952)	0
<b>Total overdraft</b>		<b>(50)</b>	<b>0</b>	<b>(9,952)</b>	<b>0</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(4)	(66)	(114)	(11,757)
Amounts payable on cancellation of shares	2d	0	(1,959)	(2,996)	(69,234)
Annual management charge payable	2d, 6	(17)	(644)	(918)	(38,585)
Audit fee payable	2d	0	(15)	(19)	(1,138)
Custody transaction charges payable	2d, 7	0	(37)	(42)	(4,305)
Depository's charge payable	2d, 7	(1)	(18)	(26)	(2,184)
Share class hedging charge payable	2d, 6	0	0	(4)	(70)
Other payable	2d	(20,646)	0	(10,551)	0
Purchases awaiting settlement	2d	0	(2,822)	0	0
Safe custody charges payable	2d, 7	(1)	(10)	(22)	(811)
Taxe d'abonnement payable	2d, 9	(2)	(68)	(112)	(4,574)
<b>Total other liabilities</b>		<b>(20,671)</b>	<b>(5,639)</b>	<b>(14,804)</b>	<b>(132,658)</b>
<b>Total liabilities</b>		<b>(20,993)</b>	<b>(5,639)</b>	<b>(28,044)</b>	<b>(150,790)</b>
<b>Net assets</b>		<b>41,979</b>	<b>678,142</b>	<b>1,024,795</b>	<b>123,263,856</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>37,489,438</b>	<b>285,857</b>	<b>70,787</b>	<b>8,802,014</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	0	0	0	53,547
Cash equivalents	2c	0	2,739	1,601	443,554
Cash held as bank balances	2c	705,595	767	125	47,141
Cash held on deposit	2c	0	0	0	349,891
<b>Total cash and bank balances</b>		<b>705,595</b>	<b>3,506</b>	<b>1,726</b>	<b>894,133</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		155,443	202	219	23,211
Debt security interest receivable	2c	0	17	8	108,393
Derivative income receivable	2d	0	0	0	1,313
Dividends receivable	2d	345,443	350	56	1,180
Other receivable	2d	0	0	0	7
Sales awaiting settlement	2c	77,362	1,433	0	0
<b>Total other assets</b>		<b>578,248</b>	<b>2,002</b>	<b>283</b>	<b>134,104</b>
<b>Total assets</b>		<b>38,773,281</b>	<b>291,365</b>	<b>72,796</b>	<b>9,830,251</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(13,459)</b>	<b>(55)</b>	<b>(23)</b>	<b>(34,162)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	0	0	0	(4,729)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	(179,268)
<b>Total overdraft</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(183,997)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(3,533)	(29)	(7)	(187)
Amounts payable on cancellation of shares	2d	(60,377)	(622)	(39)	(28,765)
Annual management charge payable	2d, 6	(21,691)	(246)	(55)	(6,984)
Audit fee payable	2d	0	(16)	0	(19)
Custody transaction charges payable	2d, 7	0	(26)	0	(71)
Depository's charge payable	2d, 7	(696)	(9)	(2)	(137)
Share class hedging charge payable	2d, 6	(46)	0	0	(20)
Other payable	2d	0	0	0	(9)
Purchases awaiting settlement	2d	(21,261)	(257)	0	(26,324)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000
Safe custody charges payable	2d, 7	(214)	(1)	0	(51)
<i>Taxe d'abonnement</i> payable	2d, 9	(2,638)	(34)	(7)	(1,074)
<b>Total other liabilities</b>		<b>(110,456)</b>	<b>(1,240)</b>	<b>(110)</b>	<b>(63,641)</b>
<b>Total liabilities</b>		<b>(123,915)</b>	<b>(1,295)</b>	<b>(133)</b>	<b>(281,800)</b>
<b>Net assets</b>		<b>38,649,366</b>	<b>290,070</b>	<b>72,663</b>	<b>9,548,451</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Pan European Sustain Paris Aligned Fund €'000	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000	M&G (Lux) Sustainable Allocation Fund €'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>256,518</b>	<b>216,102</b>	<b>459,898</b>	<b>345,979</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	0	0	0	370
Cash equivalents	2c	6,687	0	16,073	0
Cash held as bank balances	2c	1,996	4,355	1,501	12,018
Cash held on deposit	2c	0	0	3,290	0
<b>Total cash and bank balances</b>		<b>8,683</b>	<b>4,355</b>	<b>20,864</b>	<b>12,388</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		154	211	6,222	15
Debt security interest receivable	2c	0	0	4,866	1,188
Derivative income receivable	2d	0	0	9	0
Dividends receivable	2d	937	479	0	269
Other receivable	2d	1	0	0	0
Sales awaiting settlement	2c	0	0	0	1,426
<b>Total other assets</b>		<b>1,092</b>	<b>690</b>	<b>11,097</b>	<b>2,898</b>
<b>Total assets</b>		<b>266,293</b>	<b>221,147</b>	<b>491,859</b>	<b>361,265</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>0</b>	<b>0</b>	<b>(1,231)</b>	<b>(583)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	0	0	0	(2,469)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(921)	0
<b>Total overdraft</b>		<b>0</b>	<b>0</b>	<b>(921)</b>	<b>(2,469)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(26)	(22)	(47)	(35)
Amounts payable on cancellation of shares	2d	(90)	(376)	(820)	(922)
Annual management charge payable	2d, 6	(192)	(90)	(44)	(337)
Audit fee payable	2d	(3)	(18)	(15)	(26)
Custody transaction charges payable	2d, 7	(5)	(19)	(14)	(18)
Depository's charge payable	2d, 7	(6)	(7)	(13)	(12)
Purchases awaiting settlement	2d	0	0	(4,985)	(4,873)
Safe custody charges payable	2d, 7	(2)	(2)	(4)	(6)
Taxe d'abonnement payable	2d, 9	(27)	(12)	(29)	(41)
<b>Total other liabilities</b>		<b>(351)</b>	<b>(546)</b>	<b>(5,971)</b>	<b>(6,270)</b>
<b>Total liabilities</b>		<b>(351)</b>	<b>(546)</b>	<b>(8,123)</b>	<b>(9,322)</b>
<b>Net assets</b>		<b>265,942</b>	<b>220,601</b>	<b>483,736</b>	<b>351,943</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund US\$'000	M&G (Lux) Sustainable Global High Yield Bond Fund US\$'000	M&G (Lux) Sustainable Macro Flexible Credit Fund €'000	M&G (Lux) Sustainable Multi Asset Growth Fund €'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>37,445</b>	<b>39,394</b>	<b>186,465</b>	<b>154,657</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	0	99	2,392	64
Cash equivalents	2c	0	0	22,099	0
Cash held as bank balances	2c	343	1,063	38,953	4,015
<b>Total cash and bank balances</b>		<b>343</b>	<b>1,162</b>	<b>63,444</b>	<b>4,079</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		31	1	2,099	0
Debt security interest receivable	2c	645	592	2,314	253
Dividends receivable	2d	0	0	0	197
Sales awaiting settlement	2c	0	110	2,707	976
<b>Total other assets</b>		<b>676</b>	<b>703</b>	<b>7,120</b>	<b>1,426</b>
<b>Total assets</b>		<b>38,464</b>	<b>41,259</b>	<b>257,029</b>	<b>160,162</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(38)</b>	<b>(64)</b>	<b>(776)</b>	<b>(382)</b>
<b>Cash and bank balances</b>	2c				
Bank overdrafts	2c	0	0	0	(100)
Overdrawn positions at futures clearing houses and collateral manager	2c	(14)	0	0	0
<b>Total overdraft</b>		<b>(14)</b>	<b>0</b>	<b>0</b>	<b>(100)</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(4)	(4)	0	(16)
Amounts payable on cancellation of shares	2d	0	(14)	(412)	(324)
Annual management charge payable	2d, 6	(9)	(11)	(100)	(36)
Depository's charge payable	2d, 7	(1)	(2)	0	(5)
Purchases awaiting settlement	2d	(323)	(152)	(8,156)	0
Safe custody charges payable	2d, 7	(1)	(1)	0	(2)
Taxe d'abonnement payable	2d, 9	(2)	(3)	0	(4)
<b>Total other liabilities</b>		<b>(340)</b>	<b>(187)</b>	<b>(8,668)</b>	<b>(387)</b>
<b>Total liabilities</b>		<b>(392)</b>	<b>(251)</b>	<b>(9,444)</b>	<b>(869)</b>
<b>Net assets</b>		<b>38,072</b>	<b>41,008</b>	<b>247,585</b>	<b>159,293</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	M&G (Lux) Sustainable Optimal Income Bond Fund €'000	M&G (Lux) TAP Global Listed Infrastructure Fund US\$'000	M&G (Lux) US Corporate Bond Fund US\$'000	M&G (Lux) US High Yield Bond Fund US\$'000
<b>Assets</b>					
<b>Investment assets</b>	2c	<b>44,122</b>	<b>50,594</b>	<b>72,872</b>	<b>68,328</b>
<b>Cash and bank balances</b>	2c				
Amounts held at futures clearing houses and collateral manager	2c	276	0	28	0
Cash equivalents	2c	0	268	2,044	0
Cash held as bank balances	2c	3,480	268	6	5,760
Cash held on deposit	2c	785	0	0	0
<b>Total cash and bank balances</b>		<b>4,541</b>	<b>536</b>	<b>2,078</b>	<b>5,760</b>
<b>Other assets</b>					
Amounts receivable on issues of shares		0	1	0	0
Debt security interest receivable	2c	544	1	688	1,203
Dividends receivable	2d	0	133	0	0
Sales awaiting settlement	2c	0	76	0	0
<b>Total other assets</b>		<b>544</b>	<b>211</b>	<b>688</b>	<b>1,203</b>
<b>Total assets</b>		<b>49,207</b>	<b>51,341</b>	<b>75,638</b>	<b>75,291</b>
<b>Liabilities</b>					
<b>Investment liabilities</b>	2c	<b>(181)</b>	<b>0</b>	<b>(12)</b>	<b>0</b>
<b>Cash and bank balances</b>	2c				
Overdrawn positions at futures clearing houses and collateral manager	2c	(404)	0	0	0
<b>Total overdraft</b>		<b>(404)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other liabilities</b>					
Administration charge payable	2d, 6	(5)	(5)	(3)	(2)
Amounts payable on cancellation of shares	2d	0	(172)	0	0
Annual management charge payable	2d, 6	(16)	(25)	(1)	(2)
Depository's charge payable	2d, 7	(1)	(1)	0	0
Purchases awaiting settlement	2d	0	(26)	0	(301)
Safe custody charges payable	2d, 7	(1)	(1)	0	0
Taxe d'abonnement payable	2d, 9	(1)	(1)	(2)	(2)
<b>Total other liabilities</b>		<b>(24)</b>	<b>(231)</b>	<b>(6)</b>	<b>(307)</b>
<b>Total liabilities</b>		<b>(609)</b>	<b>(231)</b>	<b>(18)</b>	<b>(307)</b>
<b>Net assets</b>		<b>48,598</b>	<b>51,110</b>	<b>75,620</b>	<b>74,984</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	Combined total €'000
<b>Assets</b>		
<b>Investment assets</b>	2c	<b>30,260,799</b>
<b>Cash and bank balances</b>	2c	
Amounts held at futures clearing houses and collateral manager	2c	155,085
Cash equivalents	2c	850,962
Cash held as bank balances	2c	404,253
Cash held on deposit	2c	531,744
<b>Total cash and bank balances</b>		<b>1,942,044</b>
<b>Other assets</b>		
Amounts receivable on issues of shares		62,993
Debt security interest receivable	2c	233,342
Derivative income receivable	2d	1,548
Dividends receivable	2d	48,715
Other receivable	2d	473
Sales awaiting settlement	2c	33,938
<b>Total other assets</b>		<b>381,009</b>
<b>Total assets</b>		<b>32,583,852</b>
<b>Liabilities</b>		
<b>Investment liabilities</b>	2c	<b>(74,194)</b>
<b>Cash and bank balances</b>	2c	
Bank overdrafts	2c	(50,891)
Overdrawn positions at futures clearing houses and collateral manager	2c	(196,308)
<b>Total overdraft</b>		<b>(247,199)</b>
<b>Other liabilities</b>		
Administration charge payable	2d, 6	(2,044)
Amounts payable on cancellation of shares	2d	(88,703)
Annual management charge payable	2d, 6	(21,290)
Audit fee payable	2d	(341)
Custody transaction charges payable	2d, 7	(655)
Depository's charge payable	2d, 7	(620)
Share class hedging charge payable	2d, 6	(54)
Other payable	2d	(96,513)
Performance fee payable	2f	(79)
Purchases awaiting settlement	2d	(69,523)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of net assets

as at 31 March 2024	Notes	Combined total €'000
Safe custody charges payable	2d, 7	(330)
<i>Taxe d'abonnement</i> payable	2d, 9	(2,839)
<b>Total other liabilities</b>		<b>(282,991)</b>
<b>Total liabilities</b>		<b>(604,384)</b>
<b>Net assets</b>		<b>31,979,468</b>

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Absolute Return Bond Fund €'000	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Better Health Solutions Fund US\$'000	M&G (Lux) Climate Solutions Fund US\$'000
<b>Opening net assets</b>		<b>22,340</b>	<b>56,462</b>	<b>12,612</b>	<b>11,475</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	11	0	0	0
Bank interest	2d	8	1	5	5
Deposit interest	2d	0	21	0	0
Derivative Income	2d	19	0	0	0
Dividends	2d	2	2,089	205	129
Interest on debt securities	2d	279	0	0	0
Other income		3	2	0	0
Withholding tax on dividends and other investment income	2d	0	(130)	(40)	(15)
<b>Total income</b>		<b>322</b>	<b>1,983</b>	<b>170</b>	<b>119</b>
<b>Expenses</b>					
Administration charge	2d, 6	(16)	(84)	(19)	(16)
Annual management charge	2d, 6	(65)	(705)	(40)	(15)
Depositary's charge	2d, 7	0	(1)	(1)	0
Other expenses		(5)	0	0	0
Professional fees	2d	(1)	(4)	0	(3)
Safe custody charge	2d, 7	(1)	(20)	(1)	(2)
<i>Taxe d'abonnement</i> charge	2d, 9	(4)	(24)	(1)	(2)
<b>Total expenses</b>		<b>(92)</b>	<b>(838)</b>	<b>(62)</b>	<b>(38)</b>
<b>Net income for the year</b>		<b>230</b>	<b>1,145</b>	<b>108</b>	<b>81</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	(3,778)	1,787	130	(301)
Currency	2c	79	(581)	9	(226)
Forward currency contracts	2c	(27)	0	0	0
Futures contracts	2c, 4	(67)	0	0	0
Swap contracts	2c	375	0	0	0
<b>Net realised (loss)/gain</b>		<b>(3,418)</b>	<b>1,206</b>	<b>139</b>	<b>(527)</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Absolute Return Bond Fund €'000	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Better Health Solutions Fund US\$'000	M&G (Lux) Climate Solutions Fund US\$'000
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	3,747	972	1,203	751
Currency	2c	(92)	(80)	0	(3)
Forward currency contracts	2c	(45)	1	0	0
Futures contracts	2c	138	0	0	0
Swap contracts	2c	(411)	0	0	0
<b>Net change in unrealised gain</b>		<b>3,337</b>	<b>893</b>	<b>1,203</b>	<b>748</b>
<b>Change in net asset assets from investment activities</b>		<b>149</b>	<b>3,244</b>	<b>1,450</b>	<b>302</b>
Net share issues and redemptions		(22,426)	1,876	0	(143)
Distributions	3, 13	(63)	0	0	(2)
<b>Net assets</b>		<b>0</b>	<b>61,582</b>	<b>14,062</b>	<b>11,632</b>

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Diversity and Inclusion Fund US\$'000	M&G (Lux) Dynamic Allocation Fund €'000	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000
<b>Opening net assets</b>		12,490	2,235,929	3,058,104	71,010
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	0	29,426	20,524	1,126
Bank interest	2d	5	2,985	333	12
Deposit interest	2d	0	4,512	1,749	0
Derivative Income	2d	0	21	0	0
Dividends	2d	321	15,142	0	0
Interest on debt securities	2d	0	37,446	215,236	5,439
Other income		0	0	0	4
Withholding tax on dividends and other investment income	2d	(34)	(2,050)	(1,189)	0
<b>Total income</b>		<b>292</b>	<b>87,482</b>	<b>236,653</b>	<b>6,581</b>
<b>Expenses</b>					
Administration charge	2d, 6	(22)	(2,773)	(3,641)	(128)
Annual management charge	2d, 6	(7)	(30,291)	(21,203)	(519)
Audit fee	2d	0	(19)	(20)	0
Custody transaction charges	2d, 7	0	(110)	(139)	0
Depository's charge	2d, 7	0	(36)	(95)	(1)
Professional fees	2d	(4)	(6)	(6)	(1)
Safe custody charge	2d, 7	(1)	(172)	(313)	(4)
Share class hedging charge	2d, 6	0	(13)	(63)	(1)
Taxe d'abonnement charge	2d, 9	(2)	(867)	(710)	(12)
<b>Total expenses</b>		<b>(36)</b>	<b>(34,287)</b>	<b>(26,190)</b>	<b>(666)</b>
<b>Net income for the year</b>		<b>256</b>	<b>53,195</b>	<b>210,463</b>	<b>5,915</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	218	31,404	(110,196)	(4,174)
Currency	2c	(25)	(6,808)	(25,224)	(129)
Forward currency contracts	2c	0	(2,636)	47	17
Futures contracts	2c, 4	0	12,817	(39)	(38)

The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Diversity and Inclusion Fund US\$'000	M&G (Lux) Dynamic Allocation Fund €'000	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000
Swap contracts	2c	0	62	0	0
CSDR penalty amount		0	0	4	0
<b>Net realised gain/(loss)</b>		<b>193</b>	<b>34,839</b>	<b>(135,408)</b>	<b>(4,324)</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	1,795	45,063	320,112	12,445
Currency	2c	(6)	4,476	(1,529)	(146)
Forward currency contracts	2c	0	1,951	(5,972)	(132)
Futures contracts	2c	0	12,543	0	0
Swap contracts	2c	0	(10)	0	0
<b>Net change in unrealised gain</b>		<b>1,789</b>	<b>64,023</b>	<b>312,611</b>	<b>12,167</b>
<b>Change in net asset assets from investment activities</b>		<b>2,238</b>	<b>152,057</b>	<b>387,666</b>	<b>13,758</b>
Net share issues and redemptions		4,976	(328,542)	197,577	12,905
Distributions	3, 13	0	(4,003)	(16,613)	(818)
<b>Net assets</b>		<b>19,704</b>	<b>2,055,441</b>	<b>3,626,734</b>	<b>96,855</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Episode Macro Fund US\$'000	M&G (Lux) Euro Corporate Bond Fund €'000	M&G (Lux) European Inflation Linked Corporate Bond Fund €'000	M&G (Lux) European Strategic Value Fund €'000
<b>Opening net assets</b>		<b>433,636</b>	<b>172,666</b>	<b>124,708</b>	<b>1,455,209</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	19,064	406	35	0
Bank interest	2d	971	49	74	44
Derivative Income	2d	0	0	611	0
Dividends	2d	1,592	49	24	65,568
Interest on debt securities	2d	1,478	3,776	2,239	0
Other income		0	0	3	0
Withholding tax on dividends and other investment income	2d	(78)	0	(3)	(3,990)
<b>Total income</b>		<b>23,027</b>	<b>4,280</b>	<b>2,983</b>	<b>61,622</b>
<b>Expenses</b>					
Administration charge	2d, 6	(794)	(251)	(161)	(2,026)
Annual management charge	2d, 6	(7,391)	(520)	(439)	(13,967)
Audit fee	2d	(20)	0	0	(14)
Custody transaction charges	2d, 7	(42)	(15)	0	(34)
Depositary's charge	2d, 7	(10)	(1)	0	(27)
Performance fee	2f	(85)	0	0	0
Professional fees	2d	(1)	0	0	(2)
Safe custody charge	2d, 7	(17)	(7)	(4)	(55)
Share class hedging charge	2d, 6	(71)	(1)	0	0
Taxe d'abonnement charge	2d, 9	(119)	(80)	(49)	(392)
<b>Total expenses</b>		<b>(8,550)</b>	<b>(875)</b>	<b>(653)</b>	<b>(16,517)</b>
<b>Net income for the year</b>		<b>14,477</b>	<b>3,405</b>	<b>2,330</b>	<b>45,105</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	2,710	(4,350)	2,551	61,937
Currency	2c	(2,632)	32	197	2,656
Forward currency contracts	2c	12,518	(66)	(768)	0
Futures contracts	2c, 4	(6,428)	(25)	(299)	0

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Episode Macro Fund US\$'000	M&G (Lux) Euro Corporate Bond Fund €'000	M&G (Lux) European Inflation Linked Corporate Bond Fund €'000	M&G (Lux) European Strategic Value Fund €'000
Swap contracts	2c	0	(599)	43	0
CSDR penalty amount		1	0	0	1
<b>Net realised gain/(loss)</b>		<b>6,169</b>	<b>(5,008)</b>	<b>1,724</b>	<b>64,594</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	1,173	12,978	7	149,159
Currency	2c	135	63	110	1,869
Forward currency contracts	2c	(9,143)	(61)	(474)	0
Futures contracts	2c	1,156	76	353	0
Swap contracts	2c	0	412	276	0
<b>Net change in unrealised (loss)/gain</b>		<b>(6,679)</b>	<b>13,468</b>	<b>272</b>	<b>151,028</b>
<b>Change in net asset assets from investment activities</b>		<b>13,967</b>	<b>11,865</b>	<b>4,326</b>	<b>260,727</b>
Net share issues and redemptions		60,456	(9,933)	(54,034)	148,963
Distributions	3, 13	0	(927)	0	(807)
<b>Net assets</b>		<b>508,059</b>	<b>173,671</b>	<b>75,000</b>	<b>1,864,092</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Fixed Maturity Bond Fund 2 €'000	M&G (Lux) Fixed Maturity Bond Fund 3 €'000	M&G (Lux) Global Artificial Intelligence Fund US\$'000	M&G (Lux) Global Convertibles Fund US\$'000
<b>Opening net assets</b>		0	0	0	238,307
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	4,644	1,019	0	(384)
Bank interest	2d	1	13	14	23
Deposit interest	2d	0	0	29	142
Dividends	2d	17	20	479	0
Interest on debt securities	2d	3,137	1,692	0	2,296
Withholding tax on dividends and other investment income	2d	0	0	(109)	8
<b>Total income</b>		<b>7,799</b>	<b>2,744</b>	<b>413</b>	<b>2,085</b>
<b>Expenses</b>					
Administration charge	2d, 6	0	0	(63)	(319)
Annual management charge	2d, 6	(1,072)	(148)	(127)	(2,381)
Audit fee	2d	0	0	0	(16)
Custody transaction charges	2d, 7	0	0	0	(12)
Depository's charge	2d, 7	0	0	(2)	(1)
Other expenses		0	0	0	(30)
Professional fees	2d	0	0	0	(1)
Safe custody charge	2d, 7	0	0	(2)	(7)
Share class hedging charge	2d, 6	0	0	0	(20)
<i>Taxe d'abonnement</i> charge	2d, 9	0	0	(6)	(100)
<b>Total expenses</b>		<b>(1,072)</b>	<b>(148)</b>	<b>(200)</b>	<b>(2,887)</b>
<b>Net income/(expense) for the year</b>		<b>6,727</b>	<b>2,596</b>	<b>213</b>	<b>(802)</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	111	(32)	289	1,272
Currency	2c	0	(102)	(2)	(2,246)
Forward currency contracts	2c	0	514	0	(413)
Futures contracts	2c, 4	0	(605)	0	0
CSDR penalty amount		10	0	0	0
<b>Net realised gain/(loss)</b>		<b>121</b>	<b>(225)</b>	<b>287</b>	<b>(1,387)</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Fixed Maturity Bond Fund 2 €'000	M&G (Lux) Fixed Maturity Bond Fund 3 €'000	M&G (Lux) Global Artificial Intelligence Fund US\$'000	M&G (Lux) Global Convertibles Fund US\$'000
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	1,739	2,660	20,379	14,379
Currency	2c	0	6	(1)	25
Forward currency contracts	2c	0	(388)	0	(1,246)
Futures contracts	2c	0	(209)	0	0
<b>Net change in unrealised gain</b>		<b>1,739</b>	<b>2,069</b>	<b>20,378</b>	<b>13,158</b>
<b>Change in net asset assets from investment activities</b>		<b>8,587</b>	<b>4,440</b>	<b>20,878</b>	<b>10,969</b>
Net share issues and redemptions		425,726	100,000	99,128	(54,839)
Distributions	3, 13	0	0	0	(87)
<b>Net assets</b>		<b>434,313</b>	<b>104,440</b>	<b>120,006</b>	<b>194,350</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Corporate Bond Fund US\$'000	M&G (Lux) Global Dividend Fund US\$'000	M&G (Lux) Global Emerging Markets Fund US\$'000	M&G (Lux) Global Enhanced Equity Premia Fund US\$'000
<b>Opening net assets</b>		<b>239,082</b>	<b>3,391,604</b>	<b>116,781</b>	<b>3,847</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	2,119	0	0	0
Bank interest	2d	313	88	1	1
Deposit interest	2d	370	2,969	89	1
Derivative Income	2d	75	0	0	0
Dividends	2d	0	113,737	4,527	63
Interest on debt securities	2d	10,987	0	0	0
Other income		0	0	3	0
Withholding tax on dividends and other investment income	2d	(1)	(21,415)	(485)	(8)
<b>Total income</b>		<b>13,863</b>	<b>95,379</b>	<b>4,135</b>	<b>57</b>
<b>Expenses</b>					
Administration charge	2d, 6	(426)	(3,641)	(181)	(2)
Annual management charge	2d, 6	(939)	(43,849)	(1,409)	(1)
Audit fee	2d	(15)	(17)	0	0
Custody transaction charges	2d, 7	(49)	(60)	0	0
Depository's charge	2d, 7	(5)	(66)	(2)	0
Professional fees	2d	0	(9)	(5)	(3)
Safe custody charge	2d, 7	(7)	(99)	(50)	0
Share class hedging charge	2d, 6	(46)	0	(1)	0
<i>Taxe d'abonnement</i> charge	2d, 9	(66)	(1,381)	(47)	0
<b>Total expenses</b>		<b>(1,553)</b>	<b>(49,122)</b>	<b>(1,695)</b>	<b>(6)</b>
<b>Net income for the year</b>		<b>12,310</b>	<b>46,257</b>	<b>2,440</b>	<b>51</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	(7,103)	297,053	3,641	564
Currency	2c	907	3,510	(2,040)	(74)
Forward currency contracts	2c	5,769	0	(90)	(1)
Futures contracts	2c, 4	(1,257)	0	0	0

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Corporate Bond Fund US\$'000	M&G (Lux) Global Dividend Fund US\$'000	M&G (Lux) Global Emerging Markets Fund US\$'000	M&G (Lux) Global Enhanced Equity Premia Fund US\$'000
Swap contracts	2c	751	0	0	0
CSDR penalty amount		0	1	0	0
<b>Net realised (loss)/gain</b>		<b>(933)</b>	<b>300,564</b>	<b>1,511</b>	<b>489</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	13,378	4,865	10,420	(258)
Currency	2c	82	1,560	(352)	8
Forward currency contracts	2c	(3,755)	(1)	(58)	0
Futures contracts	2c	565	0	0	0
Swap contracts	2c	(150)	0	0	0
<b>Net change in unrealised gain/(loss)</b>		<b>10,120</b>	<b>6,424</b>	<b>10,010</b>	<b>(250)</b>
<b>Change in net asset assets from investment activities</b>		<b>21,497</b>	<b>353,245</b>	<b>13,961</b>	<b>290</b>
Net share issues and redemptions		(72,941)	(475,474)	(1,252)	(4,131)
Distributions	3, 13	(8,702)	(10,978)	(89)	(6)
<b>Net assets</b>		<b>178,936</b>	<b>3,258,397</b>	<b>129,401</b>	<b>0</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000	M&G (Lux) Global Listed Infrastructure Fund US\$'000	M&G (Lux) Global Macro Bond Fund US\$'000
<b>Opening net assets</b>		<b>1,913,903</b>	<b>67,006</b>	<b>3,225,612</b>	<b>668,335</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	3,558	283	0	3,242
Bank interest	2d	1,244	34	61	715
Deposit interest	2d	9,128	168	588	252
Derivative Income	2d	9,721	33	0	0
Dividends	2d	0	0	110,209	0
Interest on debt securities	2d	135,498	4,041	0	21,341
Other income		0	2	0	0
Withholding tax on dividends and other investment income	2d	0	0	(16,788)	(131)
<b>Total income</b>		<b>159,149</b>	<b>4,561</b>	<b>94,070</b>	<b>25,419</b>
<b>Expenses</b>					
Administration charge	2d, 6	(2,458)	(106)	(2,979)	(902)
Annual management charge	2d, 6	(13,697)	(540)	(31,629)	(6,162)
Audit fee	2d	(20)	0	(17)	(18)
Custody transaction charges	2d, 7	(73)	0	(91)	(53)
Depository's charge	2d, 7	(53)	(1)	(67)	(18)
Professional fees	2d	(3)	0	(6)	(2)
Safe custody charge	2d, 7	(67)	(2)	(70)	(38)
Share class hedging charge	2d, 6	(232)	(10)	0	(13)
Taxe d'abonnement charge	2d, 9	(817)	(29)	(924)	(215)
<b>Total expenses</b>		<b>(17,420)</b>	<b>(688)</b>	<b>(35,783)</b>	<b>(7,421)</b>
<b>Net income for the year</b>		<b>141,729</b>	<b>3,873</b>	<b>58,287</b>	<b>17,998</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	(30,962)	(2,910)	(65,747)	(5,253)
Currency	2c	(19,710)	(875)	(5,047)	(3,035)
Forward currency contracts	2c	(19,532)	(696)	(6)	(20,681)
Futures contracts	2c, 4	(90)	(219)	0	(979)

The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000	M&G (Lux) Global Listed Infrastructure Fund US\$'000	M&G (Lux) Global Macro Bond Fund US\$'000
Swap contracts	2c	(3,226)	(17)	0	(2,614)
CSDR penalty amount		8	0	1	1
<b>Net realised loss</b>		<b>(73,512)</b>	<b>(4,717)</b>	<b>(70,799)</b>	<b>(32,561)</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	92,793	6,393	(4,152)	7,905
Currency	2c	4,162	81	(418)	36
Forward currency contracts	2c	7,824	(429)	(6)	(1,945)
Futures contracts	2c	0	(60)	0	(2,271)
Swap contracts	2c	11,179	15	0	(2,405)
<b>Net change in unrealised gain/(loss)</b>		<b>115,958</b>	<b>6,000</b>	<b>(4,576)</b>	<b>1,320</b>
<b>Change in net asset assets from investment activities</b>		<b>184,175</b>	<b>5,156</b>	<b>(17,088)</b>	<b>(13,243)</b>
Net share issues and redemptions		76,721	(14,180)	(1,203,998)	(97,051)
Distributions	3, 13	(33,083)	(1,076)	(12,845)	(3,221)
<b>Net assets</b>		<b>2,141,716</b>	<b>56,906</b>	<b>1,991,681</b>	<b>554,820</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Maxima Fund US\$'000	M&G (Lux) Global Sustain Paris Aligned Fund US\$'000	M&G (Lux) Global Target Return Fund €'000	M&G (Lux) Global Themes Fund US\$'000
<b>Opening net assets</b>		<b>203,255</b>	<b>264,949</b>	<b>62,572</b>	<b>647,216</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	43	0
Bank interest	2d	4	7	41	18
Deposit interest	2d	0	631	991	195
Derivative Income	2d	0	0	72	0
Dividends	2d	4,362	5,437	377	15,374
Interest on debt securities	2d	0	0	795	0
Other income		0	0	3	0
Withholding tax on dividends and other investment income	2d	(698)	(968)	(13)	(3,264)
<b>Total income</b>		<b>3,668</b>	<b>5,107</b>	<b>2,309</b>	<b>12,323</b>
<b>Expenses</b>					
Administration charge	2d, 6	(323)	(546)	(78)	(969)
Annual management charge	2d, 6	(409)	(3,919)	(309)	(9,202)
Audit fee	2d	0	(15)	0	(21)
Custody transaction charges	2d, 7	0	(36)	0	(35)
Depositary's charge	2d, 7	(5)	(9)	0	(8)
Professional fees	2d	(5)	(1)	(1)	(7)
Safe custody charge	2d, 7	(27)	(17)	(3)	(36)
<i>Taxe d'abonnement</i> charge	2d, 9	(32)	(154)	(10)	(262)
<b>Total expenses</b>		<b>(801)</b>	<b>(4,697)</b>	<b>(401)</b>	<b>(10,540)</b>
<b>Net income for the year</b>		<b>2,867</b>	<b>410</b>	<b>1,908</b>	<b>1,783</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	23,034	14,524	499	15,944
Currency	2c	(816)	(256)	(14)	(4,261)
Forward currency contracts	2c	0	0	(175)	0
Futures contracts	2c, 4	0	0	(420)	0
Swap contracts	2c	0	0	173	0

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Global Maxima Fund US\$'000	M&G (Lux) Global Sustain Paris Aligned Fund US\$'000	M&G (Lux) Global Target Return Fund €'000	M&G (Lux) Global Themes Fund US\$'000
Options contracts	2c	0	0	20	0
CSDR penalty amount		2	0	0	0
<b>Net realised gain</b>		<b>22,220</b>	<b>14,268</b>	<b>83</b>	<b>11,683</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	18,270	57,362	445	47,806
Currency	2c	(175)	81	(14)	(137)
Forward currency contracts	2c	0	(1)	(157)	0
Futures contracts	2c	0	0	127	0
Swap contracts	2c	0	0	62	0
Options contracts	2c	0	0	(57)	0
<b>Net change in unrealised gain</b>		<b>18,095</b>	<b>57,442</b>	<b>406</b>	<b>47,669</b>
<b>Change in net asset assets from investment activities</b>		<b>43,182</b>	<b>72,120</b>	<b>2,397</b>	<b>61,135</b>
Net share issues and redemptions		(13,561)	138,081	(22,990)	(30,104)
Distributions	3, 13	(17)	(13)	0	(105)
<b>Net assets</b>		<b>232,859</b>	<b>475,137</b>	<b>41,979</b>	<b>678,142</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) Multi Asset 2023 Fund €'000
<b>Opening net assets</b>		<b>1,117,224</b>	<b>13,620,425</b>	<b>7,107,776</b>	<b>115,756</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	5,979	0	0	170
Bank interest	2d	423	(1,819)	(1,165)	15
Deposit interest	2d	325	0	0	0
Dividends	2d	25,177	2,063,116	768,957	2,298
Interest on debt securities	2d	21,492	0	0	0
Other income		0	0	236	0
Withholding tax on dividends and other investment income	2d	(4,838)	(315,966)	(117,766)	0
<b>Total income</b>		<b>48,558</b>	<b>1,745,331</b>	<b>650,262</b>	<b>2,483</b>
<b>Expenses</b>					
Administration charge	2d, 6	(1,606)	(111,938)	(39,052)	0
Annual management charge	2d, 6	(14,705)	(370,213)	(250,481)	(528)
Audit fee	2d	(22)	(902)	0	0
Custody transaction charges	2d, 7	(3,438)	(4,305)	0	0
Depositary's charge	2d, 7	(36)	(2,744)	(910)	0
Professional fees	2d	(5)	(33)	(25)	0
Safe custody charge	2d, 7	(91)	(2,888)	(1,095)	0
Share class hedging charge	2d, 6	(75)	(522)	(609)	0
<i>Taxe d'abonnement</i> charge	2d, 9	(486)	(13,462)	(8,907)	0
<b>Total expenses</b>		<b>(20,464)</b>	<b>(507,007)</b>	<b>(301,079)</b>	<b>(528)</b>
<b>Net income for the year</b>		<b>28,094</b>	<b>1,238,324</b>	<b>349,183</b>	<b>1,955</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	19,916	2,207,170	2,318,052	(11,235)
Currency	2c	(9,039)	106,334	(57,110)	0
Forward currency contracts	2c	(9,662)	362,994	486,497	0
Futures contracts	2c, 4	(4,327)	(12,306)	0	0
CSDR penalty amount		3	0	0	0
<b>Net realised (loss)/gain</b>		<b>(3,109)</b>	<b>2,664,192</b>	<b>2,747,439</b>	<b>(11,235)</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) Multi Asset 2023 Fund €'000
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	37,090	24,082,735	3,810,909	8,719
Currency	2c	(3,793)	25,047	51,598	0
Forward currency contracts	2c	9,420	(28,020)	(18,915)	0
Futures contracts	2c	77	0	0	0
<b>Net change in unrealised gain</b>		<b>42,794</b>	<b>24,079,762</b>	<b>3,843,592</b>	<b>8,719</b>
<b>Change in net asset assets from investment activities</b>		<b>67,779</b>	<b>27,982,278</b>	<b>6,940,214</b>	<b>(561)</b>
Net share issues and redemptions		(109,285)	81,726,923	24,601,605	(115,195)
Distributions	3, 13	(50,923)	(65,770)	(229)	0
<b>Net assets</b>		<b>1,024,795</b>	<b>123,263,856</b>	<b>38,649,366</b>	<b>0</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000	M&G (Lux) Pan European Sustain Paris Aligned Fund €'000
<b>Opening net assets</b>		<b>376,966</b>	<b>66,159</b>	<b>9,527,956</b>	<b>138,307</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	77,936	0
Bank interest	2d	8	0	5,646	73
Deposit interest	2d	194	83	0	0
Derivative Income	2d	0	0	68,660	0
Dividends	2d	5,700	1,419	4,343	4,877
Interest on debt securities	2d	0	0	309,317	0
Other income		0	2	0	0
Withholding tax on dividends and other investment income	2d	(1,456)	(380)	(613)	(420)
<b>Total income</b>		<b>4,446</b>	<b>1,124</b>	<b>465,289</b>	<b>4,530</b>
<b>Expenses</b>					
Administration charge	2d, 6	(452)	(90)	(2,751)	(297)
Annual management charge	2d, 6	(3,702)	(745)	(101,993)	(2,405)
Audit fee	2d	(15)	0	(21)	(1)
Custody transaction charges	2d, 7	(33)	0	(225)	(6)
Depository's charge	2d, 7	(2)	0	(234)	(5)
Professional fees	2d	(14)	0	(16)	0
Safe custody charge	2d, 7	(4)	(1)	(230)	(7)
Share class hedging charge	2d, 6	(4)	(1)	(259)	0
Taxe d'abonnement charge	2d, 9	(144)	(25)	(4,268)	(99)
<b>Total expenses</b>		<b>(4,370)</b>	<b>(862)</b>	<b>(109,997)</b>	<b>(2,820)</b>
<b>Net income for the year</b>		<b>76</b>	<b>262</b>	<b>355,292</b>	<b>1,710</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	34,980	3,407	(555,942)	6,306
Currency	2c	6	(12)	49,351	53
Forward currency contracts	2c	10	(7)	(119,164)	(1)
Futures contracts	2c, 4	0	0	2,995	0

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000	M&G (Lux) Pan European Sustain Paris Aligned Fund €'000
Swap contracts	2c	0	0	151,909	0
CSDR penalty amount		0	0	7	0
<b>Net realised gain/(loss)</b>		<b>34,996</b>	<b>3,388</b>	<b>(470,844)</b>	<b>6,358</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	41,140	9,190	838,906	27,428
Currency	2c	(26)	3	2,395	105
Forward currency contracts	2c	(389)	(136)	(18,017)	0
Futures contracts	2c	0	0	(33,000)	0
Swap contracts	2c	0	0	525	0
<b>Net change in unrealised gain</b>		<b>40,725</b>	<b>9,057</b>	<b>790,809</b>	<b>27,533</b>
<b>Change in net asset assets from investment activities</b>		<b>75,797</b>	<b>12,707</b>	<b>675,257</b>	<b>35,601</b>
Net share issues and redemptions		(162,077)	(6,203)	(603,515)	92,034
Distributions	3, 13	(616)	0	(51,247)	0
<b>Net assets</b>		<b>290,070</b>	<b>72,663</b>	<b>9,548,451</b>	<b>265,942</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000	M&G (Lux) Sustainable Allocation Fund €'000	M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund US\$'000
<b>Opening net assets</b>		<b>264,099</b>	<b>423,137</b>	<b>530,301</b>	<b>33,882</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	0	1,721	6,796	332
Bank interest	2d	94	95	211	7
Derivative Income	2d	0	635	0	0
Dividends	2d	4,354	228	6,614	0
Interest on debt securities	2d	0	18,100	5,158	1,964
Withholding tax on dividends and other investment income	2d	(554)	(21)	(601)	(2)
<b>Total income</b>		<b>3,894</b>	<b>20,758</b>	<b>18,178</b>	<b>2,301</b>
<b>Expenses</b>					
Administration charge	2d, 6	(362)	(679)	(654)	(54)
Annual management charge	2d, 6	(1,443)	(630)	(6,091)	(155)
Audit fee	2d	(17)	(17)	(15)	0
Custody transaction charges	2d, 7	(24)	(32)	(29)	0
Depository's charge	2d, 7	(7)	(8)	(13)	0
Professional fees	2d	(1)	(14)	(9)	(2)
Safe custody charge	2d, 7	(8)	(17)	(27)	(3)
Share class hedging charge	2d, 6	0	(8)	(1)	(2)
Taxe d'abonnement charge	2d, 9	(55)	(107)	(201)	(8)
<b>Total expenses</b>		<b>(1,917)</b>	<b>(1,512)</b>	<b>(7,040)</b>	<b>(224)</b>
<b>Net income for the year</b>		<b>1,977</b>	<b>19,246</b>	<b>11,138</b>	<b>2,077</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	2,918	278	24,880	(1,386)
Currency	2c	(2,590)	(499)	(8,011)	(81)
Forward currency contracts	2c	(1)	(6,848)	(4,518)	(93)
Futures contracts	2c, 4	0	(48)	(3,807)	(41)
Swap contracts	2c	0	443	0	0
CSDR penalty amount		0	1	1	0
<b>Net realised gain/(loss)</b>		<b>327</b>	<b>(6,673)</b>	<b>8,545</b>	<b>(1,601)</b>

The accompanying notes to the financial statements are an integral part of these financial statements.



# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000	M&G (Lux) Sustainable Allocation Fund €'000	M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund US\$'000
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	10,684	14,680	(2,402)	2,583
Currency	2c	(118)	249	32	29
Forward currency contracts	2c	(1)	(2,749)	596	(126)
Futures contracts	2c	0	0	(1,055)	18
Swap contracts	2c	0	3	0	0
<b>Net change in unrealised gain/(loss)</b>		<b>10,565</b>	<b>12,183</b>	<b>(2,829)</b>	<b>2,504</b>
<b>Change in net asset assets from investment activities</b>		<b>12,869</b>	<b>24,756</b>	<b>16,854</b>	<b>2,980</b>
Net share issues and redemptions		(56,240)	36,173	(193,337)	1,339
Distributions	3, 13	(127)	(330)	(1,875)	(129)
<b>Net assets</b>		<b>220,601</b>	<b>483,736</b>	<b>351,943</b>	<b>38,072</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Sustainable Global High Yield Bond Fund US\$'000	M&G (Lux) Sustainable Macro Flexible Credit Fund €'000	M&G (Lux) Sustainable Multi Asset Growth Fund €'000	M&G (Lux) Sustainable Optimal Income Bond Fund €'000
<b>Opening net assets</b>		<b>112,338</b>	<b>130,662</b>	<b>170,759</b>	<b>45,423</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	628	1,747	871	418
Bank interest	2d	92	146	70	33
Dividends	2d	0	1	4,099	0
Interest on debt securities	2d	3,620	4,861	627	1,488
Other income		4	0	0	0
Withholding tax on dividends and other investment income	2d	0	(4)	(403)	0
<b>Total income</b>		<b>4,344</b>	<b>6,751</b>	<b>5,264</b>	<b>1,939</b>
<b>Expenses</b>					
Administration charge	2d, 6	(106)	0	(245)	(69)
Annual management charge	2d, 6	(274)	(943)	(571)	(235)
Depositary's charge	2d, 7	1	0	(2)	(2)
Professional fees	2d	0	(1)	(8)	(1)
Safe custody charge	2d, 7	(2)	0	(10)	(3)
Share class hedging charge	2d, 6	(4)	0	0	0
<i>Taxe d'abonnement</i> charge	2d, 9	(18)	0	(16)	(5)
<b>Total expenses</b>		<b>(403)</b>	<b>(944)</b>	<b>(852)</b>	<b>(315)</b>
<b>Net income for the year</b>		<b>3,941</b>	<b>5,807</b>	<b>4,412</b>	<b>1,624</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	(6,863)	1,202	516	(2,710)
Currency	2c	(771)	(951)	(362)	(69)
Forward currency contracts	2c	(554)	(1,005)	(1,854)	(244)
Futures contracts	2c, 4	(503)	(286)	(858)	(112)
Swap contracts	2c	0	0	0	199
CSDR penalty amount		0	0	1	0
<b>Net realised loss</b>		<b>(8,691)</b>	<b>(1,040)</b>	<b>(2,557)</b>	<b>(2,936)</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) Sustainable Global High Yield Bond Fund US\$'000	M&G (Lux) Sustainable Macro Flexible Credit Fund €'000	M&G (Lux) Sustainable Multi Asset Growth Fund €'000	M&G (Lux) Sustainable Optimal Income Bond Fund €'000
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	10,235	7,515	10,292	4,405
Currency	2c	(34)	42	(27)	18
Forward currency contracts	2c	390	(444)	128	(488)
Futures contracts	2c	10	1,022	(210)	(93)
Swap contracts	2c	0	0	0	285
<b>Net change in unrealised gain</b>		<b>10,601</b>	<b>8,135</b>	<b>10,183</b>	<b>4,127</b>
<b>Change in net asset assets from investment activities</b>		<b>5,851</b>	<b>12,902</b>	<b>12,038</b>	<b>2,815</b>
Net share issues and redemptions		(76,818)	104,130	(23,504)	367
Distributions	3, 13	(363)	(109)	0	(7)
<b>Net assets</b>		<b>41,008</b>	<b>247,585</b>	<b>159,293</b>	<b>48,598</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) TAP Global Listed Infrastructure Fund US\$'000	M&G (Lux) US Corporate Bond Fund US\$'000	M&G (Lux) US High Yield Bond Fund US\$'000	Combined total €'000
<b>Opening net assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>30,664,746</b>
<b>Income</b>					
Accretion of market discount/ (Amortisation of market premium)	2d	0	22	6	178,067
Bank interest	2d	1	0	0	13,671
Deposit interest	2d	5	0	0	21,233
Derivative Income	2d	0	0	0	79,132
Dividends	2d	869	0	0	397,348
Interest on debt securities	2d	0	57	37	783,159
Other income		0	0	0	26
Withholding tax on dividends and other investment income	2d	(178)	0	0	(60,043)
<b>Total income</b>		<b>697</b>	<b>79</b>	<b>43</b>	<b>1,412,593</b>
<b>Expenses</b>					
Administration charge	2d, 6	(29)	(3)	(2)	(29,886)
Annual management charge	2d, 6	(143)	(1)	(2)	(318,368)
Audit fee	2d	0	0	0	(310)
Custody transaction charges	2d, 7	0	0	0	(4,515)
Depository's charge	2d, 7	(1)	0	0	(715)
Other expenses		0	0	0	(33)
Performance fee	2f	0	0	0	(79)
Professional fees	2d	0	0	0	(137)
Safe custody charge	2d, 7	(1)	0	0	(1,392)
Share class hedging charge	2d, 6	0	0	0	(798)
Taxe d'abonnement charge	2d, 9	(3)	(2)	(2)	(11,506)
<b>Total expenses</b>		<b>(177)</b>	<b>(6)</b>	<b>(6)</b>	<b>(367,739)</b>
<b>Net income for the year</b>		<b>520</b>	<b>73</b>	<b>37</b>	<b>1,044,854</b>
<b>Realised gains/(losses) on sales of investments</b>					
Investments excluding derivatives	2c, 4	759	0	0	(244,636)
Currency	2c	30	0	0	(34,543)
Forward currency contracts	2c	0	0	0	(163,238)
Futures contracts	2c, 4	0	0	0	(4,013)

The accompanying notes to the financial statements are an integral part of these financial statements.

# Financial statements

## Statement of operations and changes in net assets

for the year ended 31 March 2024	Notes	M&G (Lux) TAP Global Listed Infrastructure Fund US\$'000	M&G (Lux) US Corporate Bond Fund US\$'000	M&G (Lux) US High Yield Bond Fund US\$'000	Combined total €'000
Swap contracts	2c	0	0	0	147,870
Options contracts	2c	0	0	0	20
CSDR penalty amount		0	0	0	41
<b>Net realised gain/(loss)</b>		<b>789</b>	<b>0</b>	<b>0</b>	<b>(298,499)</b>
<b>Change in unrealised gains/(losses)</b>					
Investments excluding derivatives	2c	2,261	363	(231)	1,986,296
Currency	2c	(1)	0	0	8,853
Forward currency contracts	2c	0	0	0	(25,040)
Futures contracts	2c	0	6	0	(20,765)
Swap contracts	2c	0	0	0	9,153
Options contracts	2c	0	0	0	(57)
<b>Net change in unrealised gain/(loss)</b>		<b>2,260</b>	<b>369</b>	<b>(231)</b>	<b>1,958,440</b>
<b>Change in net asset assets from investment activities</b>		<b>3,569</b>	<b>442</b>	<b>(194)</b>	<b>2,704,795</b>
Net share issues and redemptions		47,541	75,178	75,178	(1,294,541)
Distributions	3, 13	0	0	0	(193,119)
Foreign currency translation					97,587
<b>Net assets</b>		<b>51,110</b>	<b>75,620</b>	<b>74,984</b>	<b>31,979,468</b>

The accompanying notes to the financial statements are an integral part of these financial statements.

# Notes to the financial statements

## 1 Basis of preparation

These financial statements have been prepared and presented in accordance with generally accepted accounting principles in Luxembourg and with the legal and regulatory requirements relating to the preparation and presentation of the financial statements as prescribed by the Luxembourg authorities for Luxembourg investment funds including the following significant accounting policies.

The financial statements have been prepared under a going concern assumption as deemed appropriate by the Management Company.

As indicated in Note 14, M&G (Lux) Global Enhanced Equity Premia Fund was liquidated on 27 July 2023, M&G (Lux) Absolute Return Bond Fund was liquidated on 3 November 2023 and M&G (Lux) Multi Asset 2023 Fund matured on 13 December 2023. As such, the financial statements for M&G (Lux) Global Enhanced Equity Premia Fund, M&G (Lux) Absolute Return Bond Fund and M&G (Lux) Multi Asset 2023 Fund have been prepared on a non-going concern basis. The application of the non-going concern basis of accounting has not led to material adjustments to the sub-funds' published net asset values.

## 2 Summary of significant accounting policies

### a) Base currency

The combined financial statements of the Fund are expressed in euros, at the exchange rate at 28 March 2024, the base currency of M&G (Lux) Investment Funds 1. The financial statements of each sub-fund are expressed in the sub-funds' base currency.

### b) Exchange rates

Transactions in currencies other than each sub-fund's base currency are translated at the rate of exchange ruling on the date of the transaction. Assets and liabilities are translated into each sub-fund's base currency at the rate of exchange ruling at the sub-fund's valuation point on 28 March 2024 being the last business day of the accounting year:

1 Euro € = 1.661581417 Australian dollar (AU\$)

1 Euro € = 8.438706853 Hong Kong dollar (HK\$)

1 Euro € = 1.457255108 Singapore dollar (SG\$)

1 Euro € = 20.551206408 South African rand (ZAR)

1 Euro € = 11.532994628 Swedish krona (SEK)

1 Euro € = 0.976751861 Swiss franc (CHF)

1 Euro € = 0.855063914 UK sterling (£)

1 Euro € = 1.078449664 US dollar (US\$)

1 Japanese yen ¥ = 0.006125967 Euro (€)

1 Japanese yen ¥ = 0.005983550 Swiss franc (CHF)

1 Japanese yen ¥ = 0.005238093 UK sterling (£)

1 Japanese yen ¥ = 0.006606547 US dollar (US\$)

1 US dollar \$ = 1.540713000 Australian dollar (AU\$)

1 US dollar \$ = 0.927257000 Euro (€)

# Notes to the financial statements

1 US dollar \$ = 7.824850000 Hong Kong dollar (HK\$)

1 US dollar \$ = 151.365000000 Japanese yen (¥)

1 US dollar \$ = 10.848450000 Norwegian krone (NOK)

1 US dollar \$ = 1.351250000 Singapore dollar (SG\$)

1 US dollar \$ = 19.056250000 South African rand (ZAR)

1 US dollar \$ = 10.694050000 Swedish krona (SEK)

1 US dollar \$ = 0.905700000 Swiss franc (CHF)

1 US dollar \$ = 0.792864000 UK sterling (£)

## c) Investments – recognition and valuation

All investments are initially recognised at the transaction price net of direct transaction costs (excluding accrued interest).

Realised gains and losses on sales of investments are determined on the basis of the average cost method where applicable. Investment cost is adjusted by the amortisation of premiums and accretion of discounts on a straight line basis. It includes the net amount received, excluding any interest treated as income, from derivative instruments.

Unrealised gains or losses on investments are determined by reference to the opening and closing valuation of investments and includes surpluses or deficits arising from unsettled derivative contracts.

At the end of the reporting year all investments have been valued using the prices and the portfolio holdings determined on 28 March 2024, at the last valuation point of the accounting year.

The methods of determining value for the principal classes of investment are:

- Equities and debt securities which are traded on an active market are included at the mid price (the mid point between the quoted bid and offer prices), excluding any accrued interest in respect of bonds.
- Collective investment schemes are included at either the mid of their cancellation and creation prices for dual priced funds or their single price for single priced funds.
- Other equities and debt securities which are unquoted or not actively traded on a quoted market are included at a value estimated by the Administrator and under policies and procedures approved and overseen by the Board of Directors using an appropriate valuation technique, excluding any accrued interest in respect of bonds.
- Exchange traded futures and options are included at either their single price or, if separate buying and selling prices are quoted, the average of the two prices.
- Over the counter equity options, credit default swaps, interest rate swaps, asset swaps and inflation swaps are included at a value provided by S&P Global Valuations Limited, an independent credit derivative price provider. Their value excludes any accrued interest in respect of derivatives where the interest is income in nature.
- Forward currency contracts, for share class hedging and investment, are included at a value determined by reference to current forward exchange rates for contracts with similar maturity profiles.
- Cash and amounts held in current, deposit, and margin accounts and in other time-related deposits shall be valued at their nominal value.

# Notes to the financial statements

## d) Recognition of income and expenses

- Dividends and any withholding tax, including ordinary stock dividends and special dividends, from equity investments are recognised when the security is quoted ex-dividend.
- Distributions from collective investment schemes, including any equalisation, are recognised when the scheme is priced ex-distribution.
- Interest income from debt securities is recognised daily on an accruals basis and includes the amortisation of premiums and accretion of discounts on a straight line basis.
- Income from derivatives is recognised on an accruals basis.
- Fixed deposit, money market deposit and bank interest are recognised daily on an accruals basis.
- Underwriting commission is recognised when the issue takes place.
- Fee rebates from investing in other collective investment schemes are recognised on an accruals basis.
- Expenses are recognised on an accruals basis.
- Luxembourg subscription tax (*taxe d'abonnement*) is recognised daily on an accruals basis.

## e) Allocation of returns to share classes

The annual management charge, *taxe d'abonnement*, any share class hedging returns and associated share class hedging charges are directly attributable to individual share classes. All other returns are apportioned to each sub-fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the income or expenses are recognised.

The Fund operates income equalisation arrangements with a view to ensuring that the level of income accrued within a sub-fund is not affected by the issue, conversion or redemption of sub-fund shares during an accounting year.

The Directors operate a policy of 'swing pricing' where a swing price adjustment may be added to the net asset value per share to determine the price at which shares may be issued or redeemed. The swing price adjustment protects existing shareholders from the dilutive effect of direct and indirect portfolio dealing costs incurred when investments are bought or sold in response to net flows of money into or out of the sub-funds from investors buying and selling shares in the sub-funds.

## f) Performance fee

In respect of certain sub-funds and certain share classes, the Management Company is entitled to receive from the net assets of each sub-fund or share class an annual performance fee which, if applicable, will be calculated and accrued each Valuation Day and payable to the Investment Manager annually in arrears at the end of an annual accounting period.

The performance fee is calculated based on a percentage of the increase in the Net Asset Value per share of each relevant share class above both its High Water Mark and Hurdle as described in the Prospectus (Appendix 2) for M&G (Lux) Investment Funds 1.

The rate at which the performance fee shall be applied (the 'Performance Fee Rate') for each share class and the Hurdle are set out in the 'Performance Fees' section of the relevant Fund Supplement in the Prospectus for M&G (Lux) Investment Funds 1.



# Notes to the financial statements

Sub-fund	Amount of performance fee in sub-fund's currency	Percentage of average shareclass TNA
<b>M&amp;G (Lux) Episode Macro Fund</b>		
<b>Euro</b>		
Class 'T-H' Accumulation	1,124	0.00%
Class 'TI-H' Accumulation	6,044	0.03%
<b>Japanese yen</b>		
Class 'TI-H' Accumulation	4,676	0.02%
<b>Sterling</b>		
Class 'T-H' Accumulation	129	0.01%
Class 'TI-H' Accumulation	465	0.00%
<b>Swiss franc</b>		
Class 'T-H' Accumulation	141	0.00%
<b>US dollar</b>		
Class 'T' Accumulation	9,957	0.06%
Class 'TI' Accumulation	62,004	0.06%

### 3 Distribution policy

Distribution shares may pay distributions to Shareholders, whereas Accumulation shares will instead accumulate all earnings pertaining to the relevant share class for the benefit of the Accumulation Shareholders. Distribution payments are made in the relevant share class currency.

The Directors will exercise their discretion to determine whether or not to declare a distribution in respect of Distribution shares. Distributions may be paid out of investment income, capital gains or capital at the discretion of the Directors. Distributions and their frequency are disclosed in note 13 of this report.

Unless detailed below, the distribution policy for all sub-funds and distribution share classes is to distribute all investment income gross of expenses.

The following distribution share classes distribute an amount or fixed percentage of the Net Asset Value per Share. Where the amount of investment income earned is not sufficient to meet this fixed amount or fixed percentage, a fixed Distribution Share Class may be required to make a payment out of capital. The Directors will periodically review fixed Distribution Share Classes policies and reserve the right to make changes to the distribution rate in cases where maintaining it may adversely impact the respective sub-funds or the Shareholders. The details of such fixed Distribution Shares are available on the M&G website.

In order to conduct a controlled dividend flow to shareholders, the below sub-funds interim distributions will be at the sub-fund manager's discretion, up to the maximum of the distributable income available for the period.

M&G (Lux) Fixed Maturity Bond Fund 3

M&G (Lux) Global Dividend Fund

M&G (Lux) Global Listed Infrastructure Fund

# Notes to the financial statements

M&G (Lux) Income Allocation Fund

M&G (Lux) North American Dividend Fund

## 4 Transaction costs

Direct portfolio transaction costs include broker execution commission and taxes and are incremental costs that are directly attributable to the transaction. Indirect portfolio transaction costs represent the difference between the buying and selling prices of the sub-fund's investments (portfolio dealing spread); some types of investment, such as fixed interest securities, have no direct transaction costs and only the portfolio dealing spread is paid. Transaction costs are incorporated as part of realised gain/(loss) in the Statement of operations and changes in net assets.

Direct portfolio transaction costs	For the year ended 31 March 2024
M&G (Lux) Absolute Return Bond Fund <sup>a</sup>	€556
M&G (Lux) Asian Fund	US\$69,344
M&G (Lux) Better Health Solutions Fund	US\$1,897
M&G (Lux) Climate Solutions Fund	US\$5,519
M&G (Lux) Diversity and Inclusion Fund	US\$10,105
M&G (Lux) Dynamic Allocation Fund	€311,002
M&G (Lux) Episode Macro Fund	US\$123,782
M&G (Lux) Euro Corporate Bond Fund	€5,262
M&G (Lux) European Inflation Linked Corporate Bond Fund	€1,369
M&G (Lux) European Strategic Value Fund	€2,137,240
M&G (Lux) Fixed Maturity Bond Fund 3 <sup>b</sup>	€4,741
M&G (Lux) Global Artificial Intelligence Fund <sup>c</sup>	US\$39,097
M&G (Lux) Global Convertibles Fund	US\$4,241
M&G (Lux) Global Corporate Bond Fund	US\$33,107
M&G (Lux) Global Dividend Fund	US\$1,004,829
M&G (Lux) Global Emerging Markets Fund	US\$194,140
M&G (Lux) Global Enhanced Equity Premia Fund <sup>d</sup>	US\$1,544
M&G (Lux) Global High Yield Bond Fund	US\$1,253
M&G (Lux) Global Listed Infrastructure Fund	US\$1,870,197
M&G (Lux) Global Macro Bond Fund	US\$15,806
M&G (Lux) Global Maxima Fund	US\$847,658
M&G (Lux) Global Sustain Paris Aligned Fund	US\$192,925
M&G (Lux) Global Target Return Fund	€9,925
M&G (Lux) Global Themes Fund	US\$382,994
M&G (Lux) Income Allocation Fund	€589,787
M&G (Lux) Japan Fund	¥29,984,332
M&G (Lux) Japan Smaller Companies Fund	¥15,668,003
M&G (Lux) North American Dividend Fund	US\$70,820

# Notes to the financial statements

Direct portfolio transaction costs	For the year ended 31 March 2024
M&G (Lux) North American Value Fund	US\$13,129
M&G (Lux) Optimal Income Fund	€446,523
M&G (Lux) Pan European Sustain Paris Aligned Fund	€242,551
M&G (Lux) Positive Impact Fund	US\$86,553
M&G (Lux) Sustainable Allocation Fund	€113,703
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	US\$81
M&G (Lux) Sustainable Global High Yield Bond Fund	US\$2,510
M&G (Lux) Sustainable Macro Flexible Credit Fund	€11,693
M&G (Lux) Sustainable Multi Asset Growth Fund	€53,182
M&G (Lux) Sustainable Optimal Income Bond Fund	€2,235
M&G (Lux) TAP Global Listed Infrastructure Fund <sup>e</sup>	US\$46,888
M&G (Lux) US Corporate Bond Fund <sup>f</sup>	US\$145

<sup>a</sup> For the period from 1 April 2023 until 3 November 2023 (liquidation date of the sub-fund).

<sup>b</sup> For the period from 27 September 2023 (launch date of the sub-fund) until 31 March 2024.

<sup>c</sup> For the period from 9 November 2023 (launch date of the sub-fund) until 31 March 2024.

<sup>d</sup> For the period from 1 April 2023 until 27 July 2023 (liquidation date of the sub-fund).

<sup>e</sup> For the period from 16 November 2023 (launch date of the sub-fund) until 31 March 2024.

<sup>f</sup> For the period from 19 March 2024 (launch date of the sub-fund) until 31 March 2024.

## 5 Operating charges

Operating charges included in the Total Expense Ratio (TER) calculation include payments made to M&G and to providers independent of M&G:

- **Investment management:** Charge paid to M&G for investment management of the sub-fund (also known as Annual Management Charge).
- **Performance fee:** Performance fee paid (payable) to M&G based on performance of the applicable share class.
- **Administration:** Charge paid to M&G for administration services in addition to investment management – any surplus from this charge will be retained by M&G.  
Please note that this does not apply to M&G (Lux) Fixed Maturity Bond Fund 2, M&G (Lux) Fixed Maturity Bond Fund 3, M&G (Lux) Multi Asset 2023 Fund and M&G (Lux) Sustainable Macro Flexible Credit Fund, which carry a Single Charge.
- **Share class hedging:** Charge paid to M&G for currency hedging services to minimise exchange rate risk for the share class.

# Notes to the financial statements

- **Oversight and other independent services:** Charges paid to providers independent of M&G for services which include depositary, custody and audit. From 1 October 2020, audit fees and custody transaction charges are paid by the Management Company for any sub-fund where the NAV has been lower than €200m ('Threshold'). The Management Company reviews the Net Asset Value of the sub-funds at the end of each quarter. If at the end of two consecutive quarters a sub-fund's Net Asset Value is:
  - below the Threshold: the audit fees and custody transaction charges will be borne by the Management Company and excluded from the calculation of the Net Asset Value of the sub-fund.
  - above the Threshold: the audit fees and custody transaction charges will be included in the calculation of the Net Asset.
- **Taxation in Luxembourg:** Under current legislation, investors that are not resident in Luxembourg are not subject to capital gains or income tax, unless they have a permanent establishment in Luxembourg to which the share capital of the Fund is allocated. Retail share classes of the Fund are subject to a tax (*taxe d'abonnement*) of 0.05% per annum and institutional share classes of 0.01%.
- **Ongoing charges from underlying funds:** Ongoing charges on holdings in underlying funds that are not rebated. Where a sub-fund invests in collective investment schemes that are also managed by the Management Company (or an associate), the Management Company will rebate the Annual Management Charge and Administration Fee of the underlying collective investment scheme.

The operating charges paid by each share class of the sub-funds are shown in the Total Expense Ratio (TER) tables. Operating charges do not include portfolio transaction costs or any entry and exit charges also known as initial and redemption charges. The charging structures of the share classes may differ, and therefore the operating charges may differ. For each sub-fund there may be a difference between ongoing charges and TER figures, please see the relevant Key Investor Information Document for a more reliable estimate of future charges (available from our website at [mandg.lu](http://mandg.lu)).

For M&G (Lux) Episode Macro Fund, the operating charges and performance fees are paid by the applicable share class. The charges do not include portfolio transaction costs or any entry and exit charges (also known as initial and redemption charges). The charging structures of the applicable share classes may differ, and therefore the operating charges and performance fees may differ. For further details of performance fee calculations please refer to the most recent Visa Stamped Prospectus approved by the CSSF on 18 March 2024.

M&G (Lux) Fixed Maturity Bond Fund 2, M&G (Lux) Fixed Maturity Bond Fund 3, M&G (Lux) Multi Asset 2023 Fund and M&G (Lux) Sustainable Macro Flexible Credit Fund, the Management Company takes a 'Single Charge' from each Share Class of the sub-fund to cover its duties, as well as operating, administration and oversight costs associated with the sub-fund. Such charge will be calculated and taken into account daily ('Single Charge'). For additional information on Single Charge, please refer to the Prospectus which is available on our website at [mandg.lu](http://mandg.lu)

## 6 Annual management, administration and share class hedging charges

Annual management charges are set out in the table below. In addition, there is an administration charge of 0.15% per share class. A Share class hedging charge of 0.01%-0.055% will apply to hedged share classes. These charges are accrued daily based on the net asset value of each share class. Any amounts outstanding at the year end are disclosed in the Statement of net assets.

Please note that the following table lists the available share classes. Each share class further contains an accumulation and distribution option.

## Notes to the financial statements

## Annual Management Charge

	Share classes								
	A %	B %	C %	CI %	E %	EI %	G %	GI %	J %
M&G (Lux) Absolute Return Bond Fund	1.00	1.30	0.40	0.40	n/a	n/a	n/a	n/a	a
M&G (Lux) Asian Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Better Health Solutions Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Climate Solutions Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Diversity and Inclusion Fund	1.75	n/a	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Dynamic Allocation Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Emerging Markets Bond Fund	1.25	1.75	0.60	0.60	n/a	n/a	n/a	n/a	c
M&G (Lux) Emerging Markets Hard Currency Bond Fund	1.50	2.00	0.60	0.60	n/a	n/a	n/a	n/a	c
M&G (Lux) Episode Macro Fund	n/a	2.25	o	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	0.40	n/a	0.15	0.15	n/a	n/a	n/a	n/a	d
M&G (Lux) European Inflation Linked Corporate Bond Fund	0.50	n/a	0.20	0.20	n/a	n/a	n/a	n/a	e
M&G (Lux) European Strategic Value Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Fixed Maturity Bond Fund 2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Fixed Maturity Bond Fund 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Artificial Intelligence Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Global Convertibles Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Global Corporate Bond Fund	0.65	n/a	0.25	0.25	n/a	n/a	n/a	n/a	f
M&G (Lux) Global Dividend Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	1.00	b
M&G (Lux) Global Emerging Markets Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Global Enhanced Equity Premia Fund	0.40	0.90	0.15	0.15	n/a	n/a	n/a	n/a	g
M&G (Lux) Global Floating Rate High Yield Fund	1.00	1.50	0.40	0.40	n/a	n/a	n/a	n/a	a
M&G (Lux) Global High Yield Bond Fund	1.00	1.50	0.40	0.40	n/a	n/a	n/a	n/a	a
M&G (Lux) Global Listed Infrastructure Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Global Macro Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a	n/a	n/a	h
M&G (Lux) Global Maxima Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Sustain Paris Aligned Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Global Target Return Fund	1.25	1.75	0.50	0.50	n/a	n/a	n/a	n/a	i
M&G (Lux) Global Themes Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b

## Notes to the financial statements

	Share classes								
	A %	B %	C %	CI %	E %	EI %	G %	GI %	J %
M&G (Lux) Income Allocation Fund	1.50	2.00	0.65	0.65	n/a	n/a	n/a	n/a	h
M&G (Lux) Japan Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Japan Smaller Companies Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) North American Value Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Optimal Income Fund	1.25	1.75	0.75	n/a	n/a	n/a	n/a	n/a	b
M&G (Lux) Pan European Sustain Paris Aligned Fund	1.50	2.00	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Positive Impact Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) Short Dated Corporate Bond Fund	0.25	n/a	0.10	0.10	n/a	n/a	n/a	n/a	g
M&G (Lux) Sustainable Allocation Fund	1.50	2.00	0.60	0.60	n/a	n/a	n/a	n/a	c
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	1.50	2.00	0.60	0.60	n/a	n/a	n/a	n/a	c
M&G (Lux) Sustainable Global High Yield Bond Fund	1.00	1.50	0.40	0.40	n/a	n/a	n/a	n/a	a
M&G (Lux) Sustainable Macro Flexible Credit Fund	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Multi Asset Growth Fund	1.50	2.00	0.60	0.60	n/a	n/a	n/a	n/a	c
M&G (Lux) Sustainable Optimal Income Bond Fund	1.25	1.75	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) TAP Global Listed Infrastructure Fund	1.75	2.25	0.75	0.75	n/a	n/a	n/a	n/a	b
M&G (Lux) US Corporate Bond Fund	0.40	n/a	0.15	0.15	n/a	n/a	n/a	n/a	d
M&G (Lux) US High Yield Bond Fund	1.00	n/a	0.40	0.40	n/a	n/a	n/a	n/a	a

	Share classes								
	JI %	L %	LI %	N %	P %	P2 %	S %	SI %	T %
M&G (Lux) Absolute Return Bond Fund	a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Asian Fund	b	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Better Health Solutions Fund	b	0.30	0.30	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Climate Solutions Fund	b	0.50	0.50	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Diversity and Inclusion Fund	b	0.30	0.30	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Dynamic Allocation Fund	b	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Emerging Markets Bond Fund	c	n/a	n/a	k	n/a	n/a	n/a	n/a	n/a

## Notes to the financial statements

	Share classes								
	JI %	L %	LI %	N %	P %	P2 %	S %	SI %	T %
M&G (Lux) Emerging Markets Hard Currency Bond Fund	c	0.15	0.15	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Episode Macro Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	1.75	0.75
M&G (Lux) Euro Corporate Bond Fund	d	d	d	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) European Inflation Linked Corporate Bond Fund	e	e	e	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) European Strategic Value Fund	b	n/a	n/a	l	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Fixed Maturity Bond Fund 2	n/a	n/a	n/a	n/a	n	n/a	n/a	n/a	n/a
M&G (Lux) Fixed Maturity Bond Fund 3	n/a	n/a	n/a	n/a	n	n/a	n/a	n/a	n/a
M&G (Lux) Global Artificial Intelligence Fund	b	0.30	0.30	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Convertibles Fund	b	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Corporate Bond Fund	f	n/a	0.05	h	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Dividend Fund	b	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund	b	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Enhanced Equity Premia Fund	g	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund	a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global High Yield Bond Fund	a	a	a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Listed Infrastructure Fund	b	0.50	0.50	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Macro Bond Fund	h	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Maxima Fund	n/a	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Sustain Paris Aligned Fund	b	n/a	n/a	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund	i	i	i	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Themes Fund	b	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund	h	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Japan Fund	b	0.35	0.35	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	1.60	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	b	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Value Fund	b	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Optimal Income Fund	b	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

## Notes to the financial statements

	Share classes								
	JI %	L %	LI %	N %	P %	P2 %	S %	SI %	T %
M&G (Lux) Pan European Sustain Paris Aligned Fund	b	b	b	l	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund	b	0.30	0.30	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund	g	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Allocation Fund	c	0.35	0.35	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	c	0.15	0.15	l	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Global High Yield Bond Fund	a	0.15	0.15	m	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Macro Flexible Credit Fund	n/a	n/a	n/a	n/a	1.10	1.10	n/a	n/a	n/a
M&G (Lux) Sustainable Multi Asset Growth Fund	c	0.35	0.35	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Sustainable Optimal Income Bond Fund	b	b	b	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) TAP Global Listed Infrastructure Fund	b	0.50	0.50	j	n/a	n/a	n/a	n/a	n/a
M&G (Lux) US Corporate Bond Fund	d	0.05	0.05	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) US High Yield Bond Fund	a	0.15	0.15	n/a	n/a	n/a	n/a	n/a	n/a

	Share classes								
	TI %	U %	UI %	V %	W %	WI %	X %	Z %	ZI %
M&G (Lux) Absolute Return Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.00	nil	nil
M&G (Lux) Asian Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Better Health Solutions Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Climate Solutions Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Diversity and Inclusion Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Dynamic Allocation Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Emerging Markets Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.25	nil	nil
M&G (Lux) Emerging Markets Hard Currency Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Episode Macro Fund	0.75	n/a	n/a	n/a	n/a	n/a	1.75	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.40	nil	nil
M&G (Lux) European Inflation Linked Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.50	nil	nil
M&G (Lux) European Strategic Value Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Fixed Maturity Bond Fund 2	n/a	n/a	n/a	n/a	c	c	n/a	nil	nil
M&G (Lux) Fixed Maturity Bond Fund 3	n/a	n/a	n/a	n/a	c	c	n/a	nil	nil



## Notes to the financial statements

	Share classes								
	TI %	U %	UI %	V %	W %	WI %	X %	Z %	ZI %
M&G (Lux) Global Artificial Intelligence Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Convertibles Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Global Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.65	nil	nil
M&G (Lux) Global Dividend Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Emerging Markets Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Enhanced Equity Premia Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.40	nil	nil
M&G (Lux) Global Floating Rate High Yield Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.00	nil	nil
M&G (Lux) Global High Yield Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.00	nil	nil
M&G (Lux) Global Listed Infrastructure Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Macro Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.25	nil	nil
M&G (Lux) Global Maxima Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Sustain Paris Aligned Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Global Target Return Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.25	nil	nil
M&G (Lux) Global Themes Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Income Allocation Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Japan Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) North American Value Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Optimal Income Fund	n/a	n/a	n/a	1.25	n/a	n/a	1.25	nil	nil
M&G (Lux) Pan European Sustain Paris Aligned Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Positive Impact Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) Short Dated Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.25	nil	nil
M&G (Lux) Sustainable Allocation Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Sustainable Global High Yield Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.00	nil	nil

# Notes to the financial statements

	Share classes								
	TI %	U %	UI %	V %	W %	WI %	X %	Z %	ZI %
M&G (Lux) Sustainable Macro Flexible Credit Fund	n/a	0.52	0.48	n/a	0.59	0.55	n/a	nil	nil
M&G (Lux) Sustainable Multi Asset Growth Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.50	nil	nil
M&G (Lux) Sustainable Optimal Income Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.25	nil	nil
M&G (Lux) TAP Global Listed Infrastructure Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.75	nil	nil
M&G (Lux) US Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	0.40	nil	nil
M&G (Lux) US High Yield Bond Fund	n/a	n/a	n/a	n/a	n/a	n/a	1.00	nil	nil

<sup>a</sup> Up to 0.40%.

<sup>b</sup> Up to 0.75%.

<sup>c</sup> Up to 0.60%.

<sup>d</sup> Up to 0.15%.

<sup>e</sup> Up to 0.20%.

<sup>f</sup> Up to 0.25%.

<sup>g</sup> Up to 0.10%.

<sup>h</sup> Up to 0.65%.

<sup>i</sup> Up to 0.50%.

<sup>j</sup> Up to 1.75%.

<sup>k</sup> Up to 1.25%.

<sup>l</sup> Up to 1.50%.

<sup>m</sup> Up to 1.00%.

<sup>n</sup> Up to 1.20%.

<sup>o</sup> Up to 1.35%.

## Administration Charge

From 1 October 2020, a discount was introduced on the administration charge based on a sub-fund's Net Asset value (NAV), as shown in the table below. The sub-funds' administration charge is currently up to 0.15% per annum.

Sub-fund NAV	Discount	Buffer <sup>a</sup>	Discount removed/reduced <sup>b</sup>
€ 0-1.25bn	nil	n/a	n/a
€ 1.25-2.50bn	0.02%	€ 125m	€ 1.125bn
€ 2.50-3.75bn	0.04%	€ 125m	€ 2.375bn
€ 3.75-5.00bn	0.06%	€ 125m	€ 3.625bn
€ 5.00-6.25bn	0.08%	€ 125m	€ 4.875bn
€ 6.25-7.50bn	0.10%	€ 250m	€ 6.000bn
More than € 7.50bn	0.12%	€ 250m	€ 7.250bn

<sup>a</sup> Applied in case of reducing sub-fund NAV.

<sup>b</sup> When a sub-fund NAV falls below.

Please note that this change does not apply to the M&G (Lux) Fixed Maturity Bond Fund 2, M&G (Lux) Fixed Maturity Bond Fund 3, M&G (Lux) Multi Asset 2023 Fund and M&G (Lux) Sustainable Macro Flexible Credit Fund, which carry a Single Charge.

# Notes to the financial statements

## 7 Depositary, safe custody and custody transaction charges

The Depositary takes a charge from each sub-fund as payment for its duties as depositary. The Depositary's charge is based on the NAV of each sub-fund, and in normal circumstances, the fees payable to the Depositary for its provision of services shall be subject to a maximum of 1 basis point.

The Depositary also receives a fee in relation to the safe-keeping of each sub-fund's assets (safe custody charges) and a fee in relation to processing transactions (custody transaction charges). The safe custody charge is a range between 0.00005% and 0.4% of the asset values and custody transaction charges range between €5 and €100 per transaction.

The Depositary's charge is calculated and taken into account daily on the same basis as described above for the Annual Management Charge. The safe custody charges and custody transaction charges are accrued daily.

## 8 Directors' fees

The Directors are entitled to receive fees of €50,000 per director per annum, which are paid by the Management Company. Philip Jelfs and Laurence Mumford have waived their entitlement to Directors' fees. The Management Company shall also reimburse certain expenses of the Directors, in accordance with the Articles, out of the Administration Charge.

## 9 Taxes

### Luxembourg

The Fund is, in principle, liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Fund at the end of the relevant calendar quarter.

This rate is reduced to 0.01% per annum for:

- Undertakings whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions;
- Undertakings whose sole object is the collective investment in deposits with credit institutions; and
- Individual sub-funds of UCIs with multiple sub-funds, as well as for individual classes of securities issued within a UCI or within a sub-fund of a UCI with multiple sub-funds, provided that the securities of such sub-funds or classes are reserved to one or more institutional investors.

As from 1 January 2021, the Fund or its individual sub-funds, may benefit from reduced subscription tax rates depending on the value of the relevant sub-fund's net assets invested in economic activities that qualify as environmentally sustainable within the meaning of Article 3 of the Taxonomy Regulation (the 'Qualifying Activities'), except for the proportion of net assets of the Fund or its individual sub-funds invested in fossil gas and/or nuclear energy related activities. The reduced subscription tax rates would be of:

- 0.04% if at least 5% of the total net assets of the Fund, or of its individual sub-funds, are invested in Qualifying Activities;
- 0.03% if at least 20% of the total net assets of the Fund, or of its individual sub-funds, are invested in Qualifying Activities;
- 0.02% if at least 35% of the total net assets of the Fund, or of its individual sub-funds, are invested in Qualifying Activities; and

# Notes to the financial statements

- 0.01% if at least 50% of the total net assets of the Fund, or of its individual sub-funds, are invested in Qualifying Activities.

The subscription tax rates mentioned above would only apply to the net assets invested in Qualifying Activities.

In addition, exemptions are available from the subscription tax where:

- the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax;
- UCIs reserved for Institutional Investors invested in money market instruments and deposits with credit institutions whose weighted residual portfolio maturity does not exceed 90 days and that have obtained the highest possible rating from a recognised rating agency;
- UCIs whose securities are reserved for retirement pension schemes;
- UCIs whose main objective is the investment in microfinance institutions;
- UCIs which securities are listed or traded and whose exclusive object is to replicate the performance of one or more indices.

The table below shows the *taxe d'abonnement* applicable to each share class.

## Taxe d'abonnement

	Share classes									
	A %	B %	C %	CI %	E %	EI %	G %	GI %	J %	
Current annual rate of local tax	0.05	0.05	0.05	0.01	n/a	n/a	n/a	0.01	0.05	

	Share classes									
	JI %	L %	LI %	N %	P %	P2 %	S %	SI %	T %	
Current annual rate of local tax	0.01	0.05	0.01	0.05	0.01 <sup>a</sup>	0.01 <sup>b</sup>	0.05	0.01	0.05	

	Share classes									
	TI %	U %	UI %	V %	W %	WI %	X %	Z %	ZI %	
Current annual rate of local tax	0.01	0.01 <sup>c</sup>	0.01 <sup>d</sup>	0.05	0.01 <sup>e</sup>	0.01 <sup>e</sup>	0.05	0.05	0.01	

a The Single Charge which is up to 1.20% includes the *taxe d'abonnement*.

b The Single Charge which is up to 1.10% includes the *taxe d'abonnement*.

c The Single Charge which is up to 0.52% includes the *taxe d'abonnement*.

d The Single Charge which is up to 0.48% includes the *taxe d'abonnement*.

e The Single Charge which is up to 0.60% includes the *taxe d'abonnement*.

## Other transaction taxes

Other jurisdictions may impose taxes, financial transactions taxes (FTT) or other transaction taxes on certain assets held by the sub-funds (for example, UK stamp duty, French FTT).

# Notes to the financial statements

## Withholding tax

Dividends, capital gains and interest received by the sub-fund on its investments may be subject to withholding taxes in the countries of origin which are generally irrecoverable as the sub-fund itself is exempt from income tax.

## 10 Swing pricing

Investments are bought or sold by a sub-fund when changes are made to the investment portfolio and in response to net flows of money into or out of the sub-funds from investors buying and selling shares in the sub-funds.

To protect existing investors, the Directors operate a policy of swing pricing. This policy gives the Directors the power to apply a 'swing price adjustment' to the Net Asset Value per share so that portfolio transaction costs incurred as a result of investors buying and selling shares in the sub-funds can be recovered from those investors through the price they pay or receive.

A swing price adjustment may be applied in the event that the daily net subscriptions or net redemptions exceed a predetermined threshold set by the Directors.

The published share price/NAV per share inclusive of the swing pricing adjustment is disclosed in the net asset values and total expense ratio table included within the Financial highlights section of each sub-fund. The swing price adjustment is not recognised in the Statement of net assets or the Statement of operations and changes in net assets.

Swing price adjustments received through buying and selling shares is included in the net in/outflows in the Statement of operations and changes in net assets.

Under normal market conditions, the adjustment will never be larger than 2% of what the NAV would otherwise be on any given Valuation Day. This adjustment may however be significantly higher and beyond the maximum threshold during exceptional market conditions such as periods of high volatility, reduced asset liquidity and market stress. The price adjustment applicable to a specific sub-fund is available on request from the Management Company at its registered office.

## 11 Transactions with connected persons by cross-investment

M&G Luxembourg S.A., as the Management Company, is a related party. Details of charges payable to M&G Luxembourg S.A. in respect of annual management, administration and share class hedging charges are disclosed in note 6. Amounts paid are disclosed in the Statement of operations and changes in net assets and amounts due at the year end are disclosed in the Statement of net assets.

As at 31 March 2024, the M&G (Lux) Dynamic Allocation Fund sub-fund invested in shares of the sub-funds M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Emerging Markets Fund and M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund. The value of the shares held amounts to €56,858,760 and represents 2.77% of the net assets of the sub-fund M&G (Lux) Dynamic Allocation Fund.

As at 31 March 2024, the M&G (Lux) Global Maxima Fund sub-fund invested in shares of the sub-fund M&G Global Property Fund. The value of the shares held amounts to US\$1,600,276 and represents 0.69% of the net assets of the sub-fund M&G (Lux) Global Maxima Fund.

As at 31 March 2024, the M&G (Lux) Global Target Return Fund sub-fund invested in shares of the sub-funds M&G Short Dated Corporate Bond Fund and M&G Total Return Credit Investment Fund. The value of the shares held amounts to €2,656,169 and represents 6.33% of the net assets of the sub-fund M&G (Lux) Global Target Return Fund.

# Notes to the financial statements

The impact of the cross investment transactions has not been eliminated from the combined Statement of net assets and Statement of operations and changes in net assets.

There are no other related parties.

## 12 Cash collateral

The sub-funds trade derivatives with a range of counterparties. The counterparties to the derivatives and amount held as collateral are shown in counterparty exposure tables under the statement of investments of each sub-fund.

## 13 Distributions

The following distributions were paid to Distribution share classes during the year ended 31 March 2024.

M&G (Lux) Absolute Return Bond Fund		
Distribution timetable		
Period to	31.03.23	30.09.23
Ex dividend date	24.04.23	23.10.23
Pay date	27.04.23	26.10.23
Distribution rate per share class		
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.0654	0.0824
Class 'B'	0.0663	0.0833
Class 'C'	0.0678	0.0856
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>
Class 'C-H'	0.0725	0.0905
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	0.0615	0.0802
Class 'C-H'	0.0635	0.0833
<b>US dollar</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	0.0735	0.0936
Class 'C-H'	0.0762	0.0973

M&G (Lux) Better Health Solutions Fund		
Distribution timetable		
Period to		31.03.23
Ex dividend date		24.04.23
Pay date		27.04.23
Distribution rate per share class		
<b>Euro</b>		<b>EUR</b>
Class 'A'		0.0142
Class 'C'		0.0142

# Notes to the financial statements

M&G (Lux) Climate Solutions Fund	
<b>Distribution timetable</b>	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
<b>Distribution rate per share class</b>	
<b>Euro</b>	<b>EUR</b>
Class 'A'	0.1586
Class 'C'	0.1617

M&G (Lux) Diversity and Inclusion Fund	
<b>Distribution timetable</b>	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
<b>Distribution rate per share class</b>	
<b>Euro</b>	<b>EUR</b>
Class 'A'	0.1414
Class 'C'	0.1427

M&G (Lux) Dynamic Allocation Fund					
<b>Distribution timetable</b>					
Period to	31.03.23	30.04.23	31.05.23	30.06.23	
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23	
Pay date	27.04.23	25.05.23	22.06.23	27.07.23	
<b>Distribution rate per share class</b>					
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	
Class 'A-H M'	0.0404	0.0290	0.0369	0.0357	
Class 'C-H M'	0.0422	0.0302	0.0385	0.0372	
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	
Class 'A'	0.0862	n/a	n/a	0.0906	
Class 'C'	0.0907	n/a	n/a	0.0956	
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	
Class 'A-H M'	0.4239	0.3062	0.3842	0.3541	
Class 'C-H M'	0.4410	0.3187	0.3995	0.3690	
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	
Class 'A-H M'	n/a	n/a	0.0019	0.0343	

## Notes to the financial statements

M&G (Lux) Dynamic Allocation Fund				
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	0.0971	n/a	n/a	0.1015
Class 'C-H'	0.0940	n/a	n/a	0.0986
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	0.0953	n/a	n/a	0.1009
Class 'A-H M'	n/a	n/a	0.0019	0.0345
Class 'A-H M F'	0.0297	0.0297	0.0297	0.0297
Class 'C-H'	0.1001	n/a	n/a	0.1063

M&G (Lux) Dynamic Allocation Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0344	0.0378	0.0342	0.0296
Class 'C-H M'	0.0358	0.0394	0.0359	0.0309
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	n/a	0.0964	n/a
Class 'C'	n/a	n/a	0.1020	n/a
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.3575	0.4061	0.3613	0.3189
Class 'C-H M'	0.3718	0.4239	0.3774	0.3338
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0341	0.0378	0.0337	0.0298
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	n/a	0.1099	n/a
Class 'C-H'	n/a	n/a	0.1070	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	n/a	n/a	0.1067	n/a
Class 'A-H M'	0.0339	0.0388	0.0345	0.0308
Class 'A-H M F'	0.0297	0.0297	0.0297	0.0297
Class 'C-H'	n/a	n/a	0.1126	n/a



## Notes to the financial statements

M&G (Lux) Dynamic Allocation Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24
Distribution rate per share class				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0387	0.0341	0.0357	0.0354
Class 'C-H M'	0.0407	0.0356	0.0374	0.0373
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	0.0932	n/a	n/a
Class 'C'	n/a	0.0988	n/a	n/a
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.4081	0.3602	0.3951	0.3745
Class 'C-H M'	0.4260	0.3776	0.4141	0.3929
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0387	0.0339	0.0366	0.0352
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	0.1063	n/a	n/a
Class 'C-H'	n/a	0.1037	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	n/a	0.1065	n/a	n/a
Class 'A-H M'	0.0390	0.0344	0.0380	0.0359
Class 'A-H M F'	0.0297	0.0297	0.0313	0.0313
Class 'C-H'	n/a	0.1127	n/a	n/a
M&G (Lux) Emerging Markets Bond Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23

## Notes to the financial statements

M&G (Lux) Emerging Markets Bond Fund				
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.2752	n/a	n/a	n/a
Class 'A-H'	0.2287	n/a	n/a	n/a
Class 'B'	0.2692	n/a	n/a	n/a
Class 'B-H'	0.2241	n/a	n/a	n/a
Class 'C'	0.2830	n/a	n/a	n/a
Class 'C-H'	0.2355	n/a	n/a	n/a
Class 'CI-H'	0.2725	n/a	n/a	n/a
Class 'JI-H'	0.2709	n/a	n/a	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0473	0.0430	0.0512	0.0496
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H M F1'	1.0873	1.0873	1.0873	1.0873
Class 'X-H M F1'	1.0735	1.0735	1.0735	1.0735
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.2737	n/a	n/a	n/a
Class 'CI'	0.2729	n/a	n/a	n/a
Class 'JI-H'	0.2799	n/a	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.2543	n/a	n/a	n/a
Class 'A M'	0.0461	0.0428	0.0506	0.0483
Class 'A M F'	0.5256	0.5256	0.5256	0.5256
Class 'C'	0.2615	n/a	n/a	n/a
Class 'C M'	0.0474	0.0441	0.0520	0.0497
Class 'JI'	0.2806	n/a	n/a	n/a
Class 'X M'	0.0452	0.0419	0.0494	0.0472
Class 'X M F'	0.5141	0.5141	0.5141	0.5141

M&G (Lux) Emerging Markets Bond Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23

## Notes to the financial statements

M&G (Lux) Emerging Markets Bond Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	n/a	0.3058	n/a
Class 'A-H'	n/a	n/a	0.2476	n/a
Class 'B'	n/a	n/a	0.2984	n/a
Class 'B-H'	n/a	n/a	0.2420	n/a
Class 'C'	n/a	n/a	0.3156	n/a
Class 'C-H'	n/a	n/a	0.2558	n/a
Class 'CI-H'	n/a	n/a	0.2959	n/a
Class 'JI-H'	n/a	n/a	0.2942	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	0.0510	0.0469	0.0451	0.0514
South African rand	ZAR	ZAR	ZAR	ZAR
Class 'A-H M F1'	1.4021	1.4021	1.4021	1.4021
Class 'X-H M F1'	1.3753	1.3753	1.3753	1.3753
Sterling	GBP	GBP	GBP	GBP
Class 'C'	n/a	n/a	0.3006	n/a
Class 'CI'	n/a	n/a	0.3000	n/a
Class 'JI-H'	n/a	n/a	0.2992	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	n/a	0.2758	n/a
Class 'A M'	0.0497	0.0471	0.0448	0.0511
Class 'A M F'	0.7264	0.7264	0.7264	0.7264
Class 'C'	n/a	n/a	0.2847	n/a
Class 'C M'	0.0512	0.0486	0.0463	0.0527
Class 'JI'	n/a	n/a	0.3057	n/a
Class 'X M'	0.0486	0.0459	0.0438	0.0497
Class 'X M F'	0.7060	0.7060	0.7060	0.7060

M&G (Lux) Emerging Markets Bond Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24

# Notes to the financial statements

M&G (Lux) Emerging Markets Bond Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	n/a	n/a	n/a
Class 'A-H'	n/a	n/a	n/a	n/a
Class 'B'	n/a	n/a	n/a	n/a
Class 'B-H'	n/a	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a	n/a
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a
Class 'JI-H'	n/a	n/a	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	0.0486	0.0474	0.0497	0.0453
South African rand	ZAR	ZAR	ZAR	ZAR
Class 'A-H M F1'	1.4021	1.4021	1.3736	1.3736
Class 'X-H M F1'	1.3753	1.3753	1.3417	1.3417
Sterling	GBP	GBP	GBP	GBP
Class 'C'	n/a	n/a	n/a	n/a
Class 'CI'	n/a	n/a	n/a	n/a
Class 'JI-H'	n/a	n/a	n/a	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	n/a	n/a	n/a
Class 'A M'	0.0481	0.0471	0.0505	0.0452
Class 'A M F'	0.7264	0.7264	0.7149	0.7149
Class 'C'	n/a	n/a	n/a	n/a
Class 'C M'	0.0496	0.0488	0.0522	0.0467
Class 'JI'	n/a	n/a	n/a	n/a
Class 'X M'	0.0468	0.0458	0.0491	0.0438
Class 'X M F'	0.7060	0.7060	0.6918	0.6918

M&G (Lux) Emerging Markets Hard Currency Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24

# Notes to the financial statements

M&G (Lux) Emerging Markets Hard Currency Bond Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.1170	0.1334	0.1427	0.1374
Class 'A-H'	0.1005	0.1121	0.1181	0.1150
Class 'C'	0.1226	0.1398	0.1495	0.1451
Class 'C-H'	0.1058	0.1183	0.1249	0.1219
Sterling	GBP	GBP	GBP	GBP
Class 'C'	0.1248	0.1392	0.1510	0.1466
Swiss franc	CHF	CHF	CHF	CHF
Class 'A-H'	0.0965	0.1118	0.1168	0.1140
Class 'C-H'	0.1015	0.1179	0.1238	0.1208
US dollar	USD	USD	USD	USD
Class 'A'	0.1134	0.1290	0.1350	0.1355
Class 'C'	0.1194	0.1354	0.1434	0.1438

M&G (Lux) Euro Corporate Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.0756	0.1022	0.1124	0.1211
Class 'C'	0.0868	0.1175	0.1292	0.1392
Class 'CI'	0.0476	0.0645	0.0709	0.0765
US dollar	USD	USD	USD	USD
Class 'A-H'	0.0525	0.0723	0.0787	0.0875
Class 'C-H'	0.0538	0.0744	0.0810	0.0903

M&G (Lux) European Strategic Value Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23

# Notes to the financial statements

M&G (Lux) European Strategic Value Fund	
Distribution rate per share class	
Euro	EUR
Class 'A'	0.4075
Class 'C'	0.4160
Class 'CI'	0.4210
Class 'J'	0.4077
Class 'JI'	0.4080

M&G (Lux) Global Convertibles Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
Distribution rate per share class	
Euro	EUR
Class 'A'	0.0969
Class 'A-H'	0.0737
Class 'B'	0.0631
Class 'B-H'	0.0547
Class 'C'	0.1078
Class 'C-H'	0.0807
US dollar	USD
Class 'A-H'	0.0806
Class 'C-H'	0.0864

M&G (Lux) Global Corporate Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A-H'	0.0891	0.0951	0.1073	0.1188
Class 'C-H'	0.0916	0.0980	0.1105	0.1224
Class 'CI-H'	n/a	0.0038	0.1190	0.1343

# Notes to the financial statements

M&G (Lux) Global Corporate Bond Fund				
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'CI-H'	0.0886	0.0943	0.1078	0.1197
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1037	0.1123	0.1258	0.1434
Class 'C'	0.1075	0.1162	0.1307	0.1490

M&G (Lux) Global Dividend Fund				
Distribution timetable				
Period to	31.03.23	31.05.23	30.06.23	31.07.23
Ex dividend date	24.04.23	19.06.23	24.07.23	21.08.23
Pay date	27.04.23	22.06.23	27.07.23	24.08.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.1392	n/a	0.0666	n/a
Class 'C'	0.1455	n/a	0.0698	n/a
Class 'CI'	0.1455	n/a	0.0698	n/a
Class 'J'	0.1156	n/a	0.0617	n/a
Class 'JI'	0.1158	n/a	0.0618	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A'	0.1256	n/a	0.0612	n/a
Class 'A H M'	n/a	0.0000	0.0270	0.0056
Class 'C'	0.1313	n/a	0.0641	n/a
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.1500	n/a	0.0703	n/a
Class 'CI'	0.1504	n/a	0.0705	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1291	n/a	0.0617	n/a
Class 'A M'	n/a	0.0000	0.0270	0.0051
Class 'C'	0.1350	n/a	0.0647	n/a

M&G (Lux) Global Dividend Fund				
Distribution timetable				
Period to	31.08.23	30.09.23	31.10.23	30.11.23
Ex dividend date	18.09.23	23.10.23	20.11.23	18.12.23
Pay date	21.09.23	26.10.23	23.11.23	21.12.23

## Notes to the financial statements

M&G (Lux) Global Dividend Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	0.0869	n/a	n/a
Class 'C'	n/a	0.0913	n/a	n/a
Class 'CI'	n/a	0.0914	n/a	n/a
Class 'J'	n/a	0.0840	n/a	n/a
Class 'JI'	n/a	0.0840	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A'	n/a	0.0784	n/a	n/a
Class 'A H M'	0.0224	0.0455	0.0060	0.0096
Class 'C'	n/a	0.0824	n/a	n/a
Sterling	GBP	GBP	GBP	GBP
Class 'C'	n/a	0.0927	n/a	n/a
Class 'CI'	n/a	0.0929	n/a	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	0.0787	n/a	n/a
Class 'A M'	0.0226	0.0459	0.0063	0.0097
Class 'C'	n/a	0.0827	n/a	n/a

M&G (Lux) Global Dividend Fund				
Distribution timetable				
Period to		31.12.23	31.01.24	29.02.24
Ex dividend date		22.01.24	19.02.24	18.03.24
Pay date		25.01.24	22.02.24	21.03.24
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'		0.0543	n/a	n/a
Class 'C'		0.0572	n/a	n/a
Class 'CI'		0.0573	n/a	n/a
Class 'J'		0.0531	n/a	n/a
Class 'JI'		0.0531	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A'		0.0495	n/a	n/a
Class 'A H M'		0.0316	0.0043	0.0155
Class 'C'		0.0522	n/a	n/a



# Notes to the financial statements

M&G (Lux) Global Dividend Fund			
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.0583	n/a	n/a
Class 'CI'	0.0586	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.0513	n/a	n/a
Class 'A M'	0.0322	0.0049	0.0157
Class 'C'	0.0541	n/a	n/a

M&G (Lux) Global Emerging Markets Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
Distribution rate per share class	
<b>Euro</b>	<b>EUR</b>
Class 'A'	0.9429
Class 'C'	1.0519
<b>Singapore dollar</b>	<b>SGD</b>
Class 'A'	0.3711
Class 'C'	0.3943
<b>US dollar</b>	<b>USD</b>
Class 'A'	0.7961
Class 'C'	0.8887

M&G (Lux) Global Enhanced Equity Premia Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
Distribution rate per share class	
<b>Euro</b>	<b>EUR</b>
Class 'A'	0.2775
Class 'C'	0.2794
Class 'CI'	0.2799

# Notes to the financial statements

M&G (Lux) Global Enhanced Equity Premia Fund	
<b>Singapore dollar</b>	<b>SGD</b>
Class 'A'	0.2666
Class 'C'	0.2686
<b>Swiss franc</b>	<b>CHF</b>
Class 'A'	0.2535
Class 'C'	0.2553
<b>US dollar</b>	<b>USD</b>
Class 'A'	0.2724
Class 'C'	0.2743

M&G (Lux) Global Floating Rate High Yield Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23
Distribution rate per share class				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0600	0.0566	0.0626	0.0652
Class 'C-H M'	0.0615	0.0581	0.0642	0.0669
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	0.1630	n/a	n/a	0.1718
Class 'B-H'	0.1594	n/a	n/a	0.1678
Class 'C-H'	0.1672	n/a	n/a	0.1767
Class 'J-H'	0.2082	n/a	n/a	0.2198
Class 'JI-H'	0.2084	n/a	n/a	0.2202
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.6201	0.5929	0.6434	0.6455
Class 'C-H M'	0.6365	0.6105	0.6614	0.6629
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	0.1748	n/a	n/a	0.1827
Class 'A-H M'	0.0608	0.0571	0.0624	0.0635
Class 'C-H M'	0.0624	0.0580	0.0641	0.0653

## Notes to the financial statements

M&G (Lux) Global Floating Rate High Yield Fund				
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	0.1761	n/a	n/a	0.1829
Class 'C-H'	0.1815	n/a	n/a	0.1890
Class 'CI-H'	0.1792	n/a	n/a	0.1864
Class 'J-H'	0.1900	n/a	n/a	0.1977
Class 'JI-H'	0.1891	n/a	n/a	0.1968
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	0.1587	n/a	n/a	0.1715
Class 'C-H'	0.1628	n/a	n/a	0.1763
Class 'J-H'	0.2037	n/a	n/a	0.2205
Class 'JI-H'	0.2039	n/a	n/a	0.2208
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1765	n/a	n/a	0.1884
Class 'A M'	0.0617	0.0593	0.0642	0.0645
Class 'C'	0.1813	n/a	n/a	0.1938
Class 'C M'	0.0635	0.0609	0.0660	0.0664
Class 'J'	0.2151	n/a	n/a	0.2300
Class 'JI'	0.2154	n/a	n/a	0.2303

M&G (Lux) Global Floating Rate High Yield Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0656	0.0612	0.0579	0.0651
Class 'C-H M'	0.0675	0.0629	0.0595	0.0670
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	n/a	n/a	0.1793	n/a
Class 'B-H'	n/a	n/a	0.1748	n/a
Class 'C-H'	n/a	n/a	0.1845	n/a
Class 'J-H'	n/a	n/a	0.2299	n/a
Class 'JI-H'	n/a	n/a	0.2301	n/a

# Notes to the financial statements

M&G (Lux) Global Floating Rate High Yield Fund				
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.6760	0.6576	0.6046	0.6932
Class 'C-H M'	0.6960	0.6774	0.6235	0.7153
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	n/a	n/a	0.1922	n/a
Class 'A-H M'	0.0664	0.0629	0.0583	0.0671
Class 'C-H M'	0.0683	0.0646	0.0600	0.0691
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	n/a	0.1931	n/a
Class 'C-H'	n/a	n/a	0.1997	n/a
Class 'CI-H'	n/a	n/a	0.1972	n/a
Class 'J-H'	n/a	n/a	0.2090	n/a
Class 'JI-H'	n/a	n/a	0.2080	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	n/a	0.1770	n/a
Class 'C-H'	n/a	n/a	0.1821	n/a
Class 'J-H'	n/a	n/a	0.2279	n/a
Class 'JI-H'	n/a	n/a	0.2281	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	n/a	n/a	0.1951	n/a
Class 'A M'	0.0677	0.0662	0.0605	0.0696
Class 'C'	n/a	n/a	0.2009	n/a
Class 'C M'	0.0696	0.0683	0.0623	0.0718
Class 'J'	n/a	n/a	0.2385	n/a
Class 'JI'	n/a	n/a	0.2388	n/a

M&G (Lux) Global Floating Rate High Yield Fund				
<b>Distribution timetable</b>				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24
<b>Distribution rate per share class</b>				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0662	0.0611	0.0663	0.0602
Class 'C-H M'	0.0683	0.0627	0.0682	0.0620

## Notes to the financial statements

<b>M&amp;G (Lux) Global Floating Rate High Yield Fund</b>				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	n/a	0.1809	n/a	n/a
Class 'B-H'	n/a	0.1761	n/a	n/a
Class 'C-H'	n/a	0.1865	n/a	n/a
Class 'J-H'	n/a	0.2322	n/a	n/a
Class 'JI-H'	n/a	0.2325	n/a	n/a
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.6850	0.6381	0.7205	0.6269
Class 'C-H M'	0.7071	0.6592	0.7441	0.6477
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	n/a	0.1936	n/a	n/a
Class 'A-H M'	0.0671	0.0615	0.0681	0.0606
Class 'C-H M'	0.0691	0.0635	0.0706	0.0625
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	0.1955	n/a	n/a
Class 'C-H'	n/a	0.2025	n/a	n/a
Class 'CI-H'	n/a	0.2000	n/a	n/a
Class 'J-H'	n/a	0.2121	n/a	n/a
Class 'JI-H'	n/a	0.2110	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	0.1790	n/a	n/a
Class 'C-H'	n/a	0.1844	n/a	n/a
Class 'J-H'	n/a	0.2309	n/a	n/a
Class 'JI-H'	n/a	0.2311	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	n/a	0.2028	n/a	n/a
Class 'A M'	0.0686	0.0640	0.0724	0.0631
Class 'C'	n/a	0.2093	n/a	n/a
Class 'C M'	0.0708	0.0660	0.0748	0.0652
Class 'J'	n/a	0.2485	n/a	n/a
Class 'JI'	n/a	0.2489	n/a	n/a

# Notes to the financial statements

M&G (Lux) Global High Yield Bond Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	0.0476	0.0424	0.0460	0.0444
Class 'B-H'	0.0392	0.0348	0.0379	0.0365
Class 'C-H'	0.0529	0.0471	0.0512	0.0494
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.0589	0.0530	0.0582	0.0547
Class 'C'	0.0625	0.0563	0.0617	0.0583

M&G (Lux) Global High Yield Bond Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	0.0473	0.0438	0.0405	0.0498
Class 'B-H'	0.0388	0.0360	0.0333	0.0408
Class 'C-H'	0.0526	0.0488	0.0451	0.0555
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.0592	0.0557	0.0516	0.0625
Class 'C'	0.0628	0.0593	0.0550	0.0665

M&G (Lux) Global High Yield Bond Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24

# Notes to the financial statements

M&G (Lux) Global High Yield Bond Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A-H'	0.0431	0.0437	0.0454	0.0395
Class 'B-H'	0.0354	0.0358	0.0372	0.0324
Class 'C-H'	0.0482	0.0489	0.0506	0.0441
US dollar	USD	USD	USD	USD
Class 'A'	0.0539	0.0559	0.0591	0.0501
Class 'C'	0.0574	0.0596	0.0631	0.0535

M&G (Lux) Global Listed Infrastructure Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.0913	n/a	n/a	0.1489
Class 'C'	0.0964	n/a	n/a	0.1574
Class 'J'	0.0719	n/a	n/a	0.1105
Class 'JI'	0.0719	n/a	n/a	0.1106
Class 'ZI'	0.0890	n/a	n/a	0.0900
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	0.0440	0.0186	0.0498	0.0377
Sterling	GBP	GBP	GBP	GBP
Class 'C'	0.0828	n/a	n/a	0.1522
Class 'JI'	0.0730	n/a	n/a	0.1097
Swiss franc	CHF	CHF	CHF	CHF
Class 'A'	0.0920	n/a	n/a	0.1270
Class 'C'	0.0970	n/a	n/a	0.1344
US dollar	USD	USD	USD	USD
Class 'A'	0.0950	n/a	n/a	0.1375
Class 'A M'	0.0569	0.0247	0.0643	0.0483
Class 'A M F'	0.2933	0.3022	0.2889	0.2941
Class 'C'	0.1003	n/a	n/a	0.1457
Class 'JI'	0.0800	n/a	n/a	0.1228

# Notes to the financial statements

M&G (Lux) Global Listed Infrastructure Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	n/a	0.1078	n/a
Class 'C'	n/a	n/a	0.1144	n/a
Class 'J'	n/a	n/a	0.0802	n/a
Class 'JI'	n/a	n/a	0.0803	n/a
Class 'ZI'	n/a	n/a	0.0900	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0149	0.0218	0.0376	0.0033
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	n/a	n/a	0.1111	n/a
Class 'JI'	n/a	n/a	0.0803	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A'	n/a	n/a	0.0908	n/a
Class 'C'	n/a	n/a	0.0964	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	n/a	n/a	0.0974	n/a
Class 'A M'	0.0186	0.0290	0.0494	0.0048
Class 'A M F'	0.3005	0.2860	0.2634	0.2551
Class 'C'	n/a	n/a	0.1034	n/a
Class 'JI'	n/a	n/a	0.0872	n/a

M&G (Lux) Global Listed Infrastructure Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24



# Notes to the financial statements

M&G (Lux) Global Listed Infrastructure Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	0.0882	n/a	n/a
Class 'C'	n/a	0.0939	n/a	n/a
Class 'J'	n/a	0.0658	n/a	n/a
Class 'JI'	n/a	0.0659	n/a	n/a
Class 'ZI'	n/a	0.0800	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	0.0252	0.0339	0.0080	0.0205
Sterling	GBP	GBP	GBP	GBP
Class 'C'	n/a	0.0916	n/a	n/a
Class 'JI'	n/a	0.0662	n/a	n/a
Swiss franc	CHF	CHF	CHF	CHF
Class 'A'	n/a	0.0713	n/a	n/a
Class 'C'	n/a	0.0758	n/a	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	0.0833	n/a	n/a
Class 'A M'	0.0342	0.0441	0.0113	0.0271
Class 'A M F'	0.2786	0.2914	0.2799	0.2768
Class 'C'	n/a	0.0885	n/a	n/a
Class 'JI'	n/a	0.0747	n/a	n/a

M&G (Lux) Global Macro Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.1174	0.1191	0.1149	0.1145
Class 'A-H'	0.0818	0.0822	0.0780	0.0784
Class 'B'	0.0892	0.0904	0.0871	0.0866
Class 'B-H'	0.0738	0.0741	0.0702	0.0705
Class 'C'	0.1255	0.1276	0.1233	0.1229
Class 'C-H'	0.0885	0.0891	0.0848	0.0853
Class 'JI-H'	0.0856	0.0862	0.0820	0.0825

# Notes to the financial statements

M&G (Lux) Global Macro Bond Fund				
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	0.0871	0.0865	0.0840	0.0841
Class 'C-H'	0.0911	0.0906	0.0879	0.0882
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.0928	0.0922	0.0898	0.0899
Class 'C-H'	0.0908	0.0901	0.0867	0.0876
Class 'CI'	0.0930	0.0923	0.0899	0.0902
Class 'CI-H'	0.0906	0.0900	0.0866	0.0876
Class 'JI-H'	0.0888	0.0884	0.0850	0.0860
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1285	0.1302	0.1229	0.1276
Class 'C'	0.1060	0.1076	0.1016	0.1058
Class 'JI'	0.0908	0.0922	0.0871	0.0907

M&G (Lux) Global Maxima Fund	
<b>Distribution timetable</b>	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
<b>Distribution rate per share class</b>	
<b>Euro</b>	<b>EUR</b>
Class 'A'	0.2299
Class 'C'	0.2366
Class 'CI'	0.2367
<b>Singapore dollar</b>	<b>SGD</b>
Class 'A'	0.2206
Class 'C'	0.2268
<b>Swiss franc</b>	<b>CHF</b>
Class 'A'	0.2102
Class 'C'	0.2160
<b>US dollar</b>	<b>USD</b>
Class 'A'	0.2256
Class 'C'	0.2319
Class 'CI'	0.2322

# Notes to the financial statements

M&G (Lux) Global Sustain Paris Aligned Fund				
Distribution timetable				
Period to				31.03.23
Ex dividend date				24.04.23
Pay date				27.04.23
Distribution rate per share class				
<b>Euro</b>				<b>EUR</b>
Class 'A'				0.4901
Class 'C'				0.5738
<b>US dollar</b>				<b>USD</b>
Class 'A'				0.3958
Class 'C'				0.4419

M&G (Lux) Global Themes Fund				
Distribution timetable				
Period to				31.03.23
Ex dividend date				24.04.23
Pay date				27.04.23
Distribution rate per share class				
<b>Euro</b>				<b>EUR</b>
Class 'A'				0.2659
Class 'C'				0.2752
Class 'CI'				0.2702
<b>Swiss franc</b>				<b>CHF</b>
Class 'A'				0.2286
Class 'C'				0.2365
Class 'CI'				0.2368
<b>US dollar</b>				<b>USD</b>
Class 'A'				0.2525
Class 'C'				0.2612
Class 'CI'				0.2614

M&G (Lux) Income Allocation Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23

## Notes to the financial statements

M&G (Lux) Income Allocation Fund				
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.0511	0.0279	0.0278	0.0283
Class 'A Q'	0.0992	n/a	n/a	0.0848
Class 'B Q'	0.0968	n/a	n/a	0.0825
Class 'C'	0.0531	0.0292	0.0291	0.0297
Class 'C Q'	0.1030	n/a	n/a	0.0887
Class 'ZI'	0.0564	0.0310	0.0309	0.0315
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H'	0.0548	0.0303	0.0302	0.0308
Class 'C-H'	0.0570	0.0317	0.0316	0.0322
South African rand	ZAR	ZAR	ZAR	ZAR
Class 'A-H F1'	1.2186	1.2186	1.2186	1.2186
Class 'X-H F1'	1.2026	1.2026	1.2026	1.2026
US dollar	USD	USD	USD	USD
Class 'A-H'	0.0566	0.0313	0.0312	0.0318
Class 'A-H F'	0.6259	0.6259	0.6259	0.6259
Class 'C-H'	0.0579	0.0327	0.0326	0.0333
Class 'X-H'	0.0307	0.0289	0.0546	0.0413
Class 'X-H F'	0.6120	0.6120	0.6120	0.6120

M&G (Lux) Income Allocation Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.0286	0.0282	0.0274	0.0266
Class 'A Q'	n/a	n/a	0.0850	n/a
Class 'B Q'	n/a	n/a	0.0826	n/a
Class 'C'	0.0300	0.0296	0.0288	0.0280
Class 'C Q'	n/a	n/a	0.0891	n/a
Class 'ZI'	0.0319	0.0314	0.0306	0.0298

# Notes to the financial statements

M&G (Lux) Income Allocation Fund				
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	0.0311	0.0306	0.0298	0.0289
Class 'C-H'	0.0326	0.0321	0.0313	0.0304
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H F1'	1.2186	1.2186	1.2186	1.2186
Class 'X-H F1'	1.2026	1.2026	1.2026	1.2026
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	0.0322	0.0318	0.0310	0.0301
Class 'A-H F'	0.6259	0.6259	0.6259	0.6259
Class 'C-H'	0.0337	0.0333	0.0325	0.0316
Class 'X-H'	0.0326	0.0375	0.0350	0.0316
Class 'X-H F'	0.6120	0.6120	0.6120	0.6120

M&G (Lux) Income Allocation Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.0240	0.0284	0.0283	0.0280
Class 'A Q'	n/a	0.0797	n/a	n/a
Class 'B Q'	n/a	0.0773	n/a	n/a
Class 'C'	0.0250	0.0299	0.0298	0.0295
Class 'C Q'	n/a	0.0838	n/a	n/a
Class 'ZI'	0.0264	0.0319	0.0318	0.0314
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	0.0258	0.0309	0.0308	0.0304
Class 'C-H'	0.0269	0.0325	0.0324	0.0320
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H F1'	1.2186	1.2186	1.2069	1.2069
Class 'X-H F1'	1.2026	1.2026	1.1783	1.1783

# Notes to the financial statements

M&G (Lux) Income Allocation Fund				
US dollar	USD	USD	USD	USD
Class 'A-H'	0.0266	0.0323	0.0322	0.0318
Class 'A-H F'	0.6259	0.6259	0.6244	0.6244
Class 'C-H'	0.0276	0.0339	0.0338	0.0335
Class 'X-H'	0.0383	0.0342	0.0349	0.0292
Class 'X-H F'	0.6120	0.6120	0.6039	0.6039

M&G (Lux) Japan Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
Distribution rate per share class	
<b>Euro</b>	<b>EUR</b>
Class 'LI'	0.2027
<b>Japanese yen</b>	<b>JPY</b>
Class 'CI'	30.4716
<b>Sterling</b>	<b>GBP</b>
Class 'C'	0.2396
Class 'CI'	0.2400
Class 'LI'	0.2069
<b>US dollar</b>	<b>USD</b>
Class 'LI'	0.2118

M&G (Lux) Japan Smaller Companies Fund	
Distribution timetable	
Period to	31.03.23
Ex dividend date	24.04.23
Pay date	27.04.23
Distribution rate per share class	
<b>Japanese yen</b>	<b>JPY</b>
Class 'CI'	35.5819

## Notes to the financial statements

M&G (Lux) North American Dividend Fund				
Distribution timetable				
Period to	31.03.23	31.05.23	30.06.23	31.07.23
Ex dividend date	24.04.23	19.06.23	24.07.23	21.08.23
Pay date	27.04.23	22.06.23	27.07.23	24.08.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.1837	n/a	0.0827	n/a
Class 'C'	0.2104	n/a	0.0950	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	n/a	0.0001	0.0186	0.0081
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.0806	n/a	0.0355	n/a
Class 'CI'	0.0808	n/a	0.0356	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1567	n/a	0.0704	n/a
Class 'A M'	n/a	0.0001	0.0187	0.0077
Class 'C'	0.1745	n/a	0.0786	n/a
Class 'CI'	0.0730	n/a	0.0329	n/a

M&G (Lux) North American Dividend Fund				
Distribution timetable				
Period to	31.08.23	30.09.23	31.10.23	30.11.23
Ex dividend date	18.09.23	23.10.23	20.11.23	18.12.23
Pay date	21.09.23	26.10.23	23.11.23	21.12.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	0.0846	n/a	n/a
Class 'C'	n/a	0.0973	n/a	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0102	0.0162	0.0078	0.0114
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	n/a	0.0367	n/a	n/a
Class 'CI'	n/a	0.0368	n/a	n/a

## Notes to the financial statements

M&G (Lux) North American Dividend Fund				
US dollar	USD	USD	USD	USD
Class 'A'	n/a	0.0704	n/a	n/a
Class 'A M'	0.0104	0.0164	0.0079	0.0114
Class 'C'	n/a	0.0788	n/a	n/a
Class 'CI'	n/a	0.0329	n/a	n/a

M&G (Lux) North American Dividend Fund				
Distribution timetable				
Period to		31.12.23	31.01.24	29.02.24
Ex dividend date		22.01.24	19.02.24	18.03.24
Pay date		25.01.24	22.02.24	21.03.24
Distribution rate per share class				
Euro		EUR	EUR	EUR
Class 'A'		0.0810	n/a	n/a
Class 'C'		0.0933	n/a	n/a
Singapore dollar		SGD	SGD	SGD
Class 'A-H M'		0.0193	0.0075	0.0090
Sterling		GBP	GBP	GBP
Class 'C'		0.0354	n/a	n/a
Class 'CI'		0.0354	n/a	n/a
US dollar		USD	USD	USD
Class 'A'		0.0704	n/a	n/a
Class 'A M'		0.0196	0.0081	0.0092
Class 'C'		0.0789	n/a	n/a
Class 'CI'		0.0330	n/a	n/a

M&G (Lux) Optimal Income Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23
Distribution rate per share class				
Australian dollar	AUD	AUD	AUD	AUD
Class 'A-H M'	0.0380	0.0341	0.0424	0.0373
Class 'C-H M'	0.0387	0.0348	0.0434	0.0381



## Notes to the financial statements

M&G (Lux) Optimal Income Fund				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.1930	n/a	n/a	n/a
Class 'B'	0.1890	n/a	n/a	n/a
Class 'C'	0.1973	n/a	n/a	n/a
Class 'CI'	0.2037	n/a	n/a	n/a
Class 'J'	0.2014	n/a	n/a	n/a
Class 'JI'	0.2017	n/a	n/a	n/a
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.3953	0.3576	0.4375	0.3655
Class 'C-H M'	0.4032	0.3653	0.4467	0.3733
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0402	0.0357	0.0442	0.0374
Class 'A-H M F1'	0.2829	0.2829	0.2829	0.2829
Class 'J-H M'	0.0407	0.0362	0.0446	0.0380
Class 'JI-H M'	0.0398	0.0355	0.0438	0.0372
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H M F2'	0.9305	0.9305	0.9305	0.9305
Class 'X-H M F2'	0.9176	0.9176	0.9176	0.9176
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	0.2032	n/a	n/a	n/a
Class 'C-H'	0.2118	n/a	n/a	n/a
Class 'CI-H'	0.2107	n/a	n/a	n/a
Class 'J-H'	0.2111	n/a	n/a	n/a
Class 'JI-H'	0.2113	n/a	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	0.1859	n/a	n/a	n/a
Class 'C-H'	0.1900	n/a	n/a	n/a
Class 'J-H'	0.1910	n/a	n/a	n/a

# Notes to the financial statements

M&G (Lux) Optimal Income Fund				
US dollar	USD	USD	USD	USD
Class 'A-H'	0.2120	n/a	n/a	n/a
Class 'A-H M'	0.0405	0.0371	0.0456	0.0378
Class 'A-H M F'	0.4490	0.4490	0.4490	0.4490
Class 'A-H M F1'	0.2831	0.2831	0.2831	0.2831
Class 'C-H'	0.2165	n/a	n/a	n/a
Class 'C-H M'	0.0443	0.0403	0.0500	0.0412
Class 'CI-H'	0.2183	n/a	n/a	n/a
Class 'J-H'	0.2175	n/a	n/a	n/a
Class 'J-H M'	0.0409	0.0375	0.0463	0.0380
Class 'JI-H'	0.2167	n/a	n/a	n/a
Class 'JI-H M'	0.0408	0.0372	0.0461	0.0380
Class 'X-H M'	0.0388	0.0354	0.0437	0.0361
Class 'X-H M F'	0.3970	0.3970	0.3970	0.3970

M&G (Lux) Optimal Income Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
Australian dollar	AUD	AUD	AUD	AUD
Class 'A-H M'	0.0366	0.0356	0.0344	0.0374
Class 'C-H M'	0.0373	0.0366	0.0351	0.0382
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	n/a	0.2128	n/a
Class 'B'	n/a	n/a	0.2077	n/a
Class 'C'	n/a	n/a	0.2180	n/a
Class 'CI'	n/a	n/a	0.2250	n/a
Class 'J'	n/a	n/a	0.2227	n/a
Class 'JI'	n/a	n/a	0.2231	n/a
Hong Kong dollar	HKD	HKD	HKD	HKD
Class 'A-H M'	0.3771	0.3845	0.3603	0.3994
Class 'C-H M'	0.3861	0.3934	0.3679	0.4092

# Notes to the financial statements

M&G (Lux) Optimal Income Fund				
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0386	0.0383	0.0360	0.0402
Class 'A-H M F1'	0.5060	0.5060	0.5060	0.5060
Class 'J-H M'	0.0391	0.0389	0.0367	0.0408
Class 'JI-H M'	0.0383	0.0380	0.0358	0.0399
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H M F2'	1.2590	1.2590	1.2590	1.2590
Class 'X-H M F2'	1.2335	1.2335	1.2335	1.2335
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	n/a	0.2205	n/a
Class 'C-H'	n/a	n/a	0.2303	n/a
Class 'CI-H'	n/a	n/a	0.2292	n/a
Class 'J-H'	n/a	n/a	0.2295	n/a
Class 'JI-H'	n/a	n/a	0.2298	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	n/a	0.2101	n/a
Class 'C-H'	n/a	n/a	0.2152	n/a
Class 'J-H'	n/a	n/a	0.2165	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	n/a	n/a	0.2341	n/a
Class 'A-H M'	0.0393	0.0404	0.0370	0.0405
Class 'A-H M F'	0.5336	0.5336	0.5336	0.5336
Class 'A-H M F1'	0.5110	0.5110	0.5110	0.5110
Class 'C-H'	n/a	n/a	0.2397	n/a
Class 'C-H M'	0.0430	0.0440	0.0404	0.0443
Class 'CI-H'	n/a	n/a	0.2415	n/a
Class 'J-H'	n/a	n/a	0.2413	n/a
Class 'J-H M'	0.0396	0.0406	0.0375	0.0411
Class 'JI-H'	n/a	n/a	0.2403	n/a
Class 'JI-H M'	0.0397	0.0407	0.0373	0.0407
Class 'X-H M'	0.0375	0.0385	0.0352	0.0383
Class 'X-H M F'	0.4690	0.4690	0.4690	0.4690

# Notes to the financial statements

M&G (Lux) Optimal Income Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24
Distribution rate per share class				
<b>Australian dollar</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
Class 'A-H M'	0.0357	0.0360	0.0404	0.0353
Class 'C-H M'	0.0365	0.0368	0.0414	0.0362
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	n/a	n/a	n/a
Class 'B'	n/a	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a	n/a
Class 'CI'	n/a	n/a	n/a	n/a
Class 'J'	n/a	n/a	n/a	n/a
Class 'JI'	n/a	n/a	n/a	n/a
<b>Hong Kong dollar</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>	<b>HKD</b>
Class 'A-H M'	0.3689	0.3787	0.4424	0.3697
Class 'C-H M'	0.3786	0.3878	0.4526	0.3782
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0375	0.0379	0.0436	0.0371
Class 'A-H M F1'	0.5060	0.5060	0.5207	0.4463
Class 'J-H M'	0.0382	0.0386	0.0444	0.0378
Class 'JI-H M'	0.0374	0.0377	0.0435	0.0370
<b>South African rand</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>	<b>ZAR</b>
Class 'A-H M F2'	1.2590	1.2590	1.2912	1.2912
Class 'X-H M F2'	1.2335	1.2335	1.2598	1.2598
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'A-H'	n/a	n/a	n/a	n/a
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a
Class 'J-H'	n/a	n/a	n/a	n/a
Class 'JI-H'	n/a	n/a	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	n/a	n/a	n/a
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'J-H'	n/a	n/a	n/a	n/a

# Notes to the financial statements

M&G (Lux) Optimal Income Fund				
US dollar	USD	USD	USD	USD
Class 'A-H'	n/a	n/a	n/a	n/a
Class 'A-H M'	0.0373	0.0390	0.0455	0.0384
Class 'A-H M F'	0.5336	0.5336	0.5530	0.5530
Class 'A-H M F1'	0.5110	0.5110	0.5297	0.4541
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'C-H M'	0.0407	0.0427	0.0497	0.0422
Class 'CI-H'	n/a	n/a	n/a	n/a
Class 'J-H'	n/a	n/a	n/a	n/a
Class 'J-H M'	0.0379	0.0395	0.0460	0.0389
Class 'JI-H'	n/a	n/a	n/a	n/a
Class 'JI-H M'	0.0376	0.0394	0.0460	0.0388
Class 'X-H M'	0.0354	0.0370	0.0431	0.0364
Class 'X-H M F'	0.4690	0.4690	0.4841	0.4841

M&G (Lux) Positive Impact Fund				
Distribution timetable				
Period to	31.03.23	31.05.23	30.06.23	31.07.23
Ex dividend date	24.04.23	19.06.23	24.07.23	21.08.23
Pay date	27.04.23	22.06.23	27.07.23	24.08.23
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	0.1922	n/a	n/a	n/a
Class 'C'	0.1999	n/a	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	n/a	0.0000	0.0334	0.0071
Sterling	GBP	GBP	GBP	GBP
Class 'C'	0.1974	n/a	n/a	n/a
Class 'L'	0.1617	n/a	n/a	n/a
Swiss franc	CHF	CHF	CHF	CHF
Class 'A'	0.1695	n/a	n/a	n/a
Class 'C'	0.1761	n/a	n/a	n/a

## Notes to the financial statements

M&G (Lux) Positive Impact Fund				
US dollar	USD	USD	USD	USD
Class 'A'	0.1839	n/a	n/a	n/a
Class 'A M'	n/a	0.0000	0.0332	0.0066
Class 'C'	0.1911	n/a	n/a	n/a
Class 'L'	0.1549	n/a	n/a	n/a

M&G (Lux) Positive Impact Fund				
Distribution timetable				
Period to	31.08.23	30.09.23	31.10.23	30.11.23
Ex dividend date	18.09.23	23.10.23	20.11.23	18.12.23
Pay date	21.09.23	26.10.23	23.11.23	21.12.23
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A'	n/a	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a	n/a
Singapore dollar	SGD	SGD	SGD	SGD
Class 'A-H M'	0.0074	0.0198	0.0136	0.0009
Sterling	GBP	GBP	GBP	GBP
Class 'C'	n/a	n/a	n/a	n/a
Class 'L'	n/a	n/a	n/a	n/a
Swiss franc	CHF	CHF	CHF	CHF
Class 'A'	n/a	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	n/a	n/a	n/a
Class 'A M'	0.0076	0.0199	0.0137	0.0006
Class 'C'	n/a	n/a	n/a	n/a
Class 'L'	n/a	n/a	n/a	n/a

M&G (Lux) Positive Impact Fund				
Distribution timetable				
Period to		31.12.23	31.01.24	29.02.24
Ex dividend date		22.01.24	19.02.24	18.03.24
Pay date		25.01.24	22.02.24	21.03.24

# Notes to the financial statements

M&G (Lux) Positive Impact Fund			
Distribution rate per share class			
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H M'	0.0241	0.0045	0.0011
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	n/a	n/a	n/a
Class 'L'	n/a	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A'	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	n/a	n/a	n/a
Class 'A M'	0.0245	0.0051	0.0012
Class 'C'	n/a	n/a	n/a
Class 'L'	n/a	n/a	n/a

M&G (Lux) Short Dated Corporate Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.0719	0.0911	0.0972	0.1056
Class 'C'	0.0736	0.0931	0.0996	0.1081
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C-H'	n/a	n/a	n/a	0.0505
Class 'CI-H'	n/a	n/a	n/a	0.0507
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	0.0835	0.1072	0.1133	0.1269
Class 'C-H'	0.0856	0.1097	0.1162	0.1301

# Notes to the financial statements

M&G (Lux) Sustainable Allocation Fund				
Distribution timetable				
Period to	31.03.23	31.05.23	30.06.23	31.07.23
Ex dividend date	24.04.23	19.06.23	24.07.23	21.08.23
Pay date	27.04.23	22.06.23	27.07.23	24.08.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	0.0902	n/a	0.1254	n/a
Class 'B'	0.0884	n/a	0.1227	n/a
Class 'C'	0.0938	n/a	0.1306	n/a
Class 'CI'	0.0939	n/a	0.1307	n/a
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	0.0960	n/a	0.1327	n/a
Class 'A-H M'	n/a	0.0011	0.0375	0.0296
Class 'C-H'	0.0995	n/a	0.1382	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	0.0884	n/a	0.1251	n/a
Class 'C-H'	0.0918	n/a	0.1303	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	0.0967	n/a	0.1360	n/a
Class 'A-H M'	n/a	0.0011	0.0375	0.0293
Class 'C-H'	0.1010	n/a	0.1422	n/a

M&G (Lux) Sustainable Allocation Fund				
Distribution timetable				
Period to	31.08.23	30.09.23	31.10.23	30.11.23
Ex dividend date	18.09.23	23.10.23	20.11.23	18.12.23
Pay date	21.09.23	26.10.23	23.11.23	21.12.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'	n/a	0.0913	n/a	n/a
Class 'B'	n/a	0.0891	n/a	n/a
Class 'C'	n/a	0.0952	n/a	n/a
Class 'CI'	n/a	0.0954	n/a	n/a



## Notes to the financial statements

M&G (Lux) Sustainable Allocation Fund				
<b>Singapore dollar</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'	n/a	0.0970	n/a	n/a
Class 'A-H M'	0.0361	0.0292	0.0296	0.0347
Class 'C-H'	n/a	0.1014	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	0.0913	n/a	n/a
Class 'C-H'	n/a	0.0950	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'	n/a	0.0971	n/a	n/a
Class 'A-H M'	0.0367	0.0296	0.0297	0.0345
Class 'C-H'	n/a	0.1017	n/a	n/a

M&G (Lux) Sustainable Allocation Fund				
Distribution timetable				
Period to		31.12.23	31.01.24	29.02.24
Ex dividend date		22.01.24	19.02.24	18.03.24
Pay date		25.01.24	22.02.24	21.03.24
Distribution rate per share class				
<b>Euro</b>		<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A'		0.0906	n/a	n/a
Class 'B'		0.0884	n/a	n/a
Class 'C'		0.0948	n/a	n/a
Class 'CI'		0.0949	n/a	n/a
<b>Singapore dollar</b>		<b>SGD</b>	<b>SGD</b>	<b>SGD</b>
Class 'A-H'		0.0962	n/a	n/a
Class 'A-H M'		0.0303	0.0286	0.0336
Class 'C-H'		0.1003	n/a	n/a
<b>Swiss franc</b>		<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'		0.0901	n/a	n/a
Class 'C-H'		0.0943	n/a	n/a
<b>US dollar</b>		<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A-H'		0.1003	n/a	n/a
Class 'A-H M'		0.0304	0.0292	0.0338
Class 'C-H'		0.1057	n/a	n/a

## Notes to the financial statements

M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	0.1074	0.1093	0.1147	0.1153
Class 'C-H'	0.1106	0.1131	0.1191	0.1198
Class 'CI-H'	0.1111	0.1134	0.1193	0.1201
Class 'LI-H'	0.1118	0.1143	0.1205	0.1213
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C'	0.1158	0.1176	0.1270	0.1272
Class 'C-H'	0.1131	0.1152	0.1226	0.1237
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	0.1136	0.1172	0.1225	0.1267
Class 'C'	0.1173	0.1213	0.1268	0.1314
Class 'CI'	0.1174	0.1216	0.1271	0.1320
Class 'LI'	0.1185	0.1227	0.1285	0.1334

M&G (Lux) Sustainable Global High Yield Bond Fund				
Distribution timetable				
Period to	31.03.23	30.04.23	31.05.23	30.06.23
Ex dividend date	24.04.23	22.05.23	19.06.23	24.07.23
Pay date	27.04.23	25.05.23	22.06.23	27.07.23
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'A-H'	0.1025	n/a	n/a	0.1064
Class 'C-H'	0.1060	n/a	n/a	0.1103
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C-H'	0.1096	n/a	n/a	0.1137
Class 'L-H'	0.1131	n/a	n/a	0.1175
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	0.0980	n/a	n/a	0.1056
Class 'C-H'	0.1016	n/a	n/a	0.1095

# Notes to the financial statements

M&G (Lux) Sustainable Global High Yield Bond Fund				
US dollar	USD	USD	USD	USD
Class 'A'	0.1140	n/a	n/a	0.1201
Class 'A M'	0.0420	0.0366	0.0419	0.0410
Class 'C'	0.1177	n/a	n/a	0.1243

M&G (Lux) Sustainable Global High Yield Bond Fund				
Distribution timetable				
Period to	31.07.23	31.08.23	30.09.23	31.10.23
Ex dividend date	21.08.23	18.09.23	23.10.23	20.11.23
Pay date	24.08.23	21.09.23	26.10.23	23.11.23
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A-H'	n/a	n/a	0.1072	n/a
Class 'C-H'	n/a	n/a	0.1111	n/a
Sterling	GBP	GBP	GBP	GBP
Class 'C-H'	n/a	n/a	0.1160	n/a
Class 'L-H'	n/a	n/a	0.1199	n/a
Swiss franc	CHF	CHF	CHF	CHF
Class 'A-H'	n/a	n/a	0.1054	n/a
Class 'C-H'	n/a	n/a	0.1094	n/a
US dollar	USD	USD	USD	USD
Class 'A'	n/a	n/a	0.1201	n/a
Class 'A M'	0.0425	0.0406	0.0365	0.0437
Class 'C'	n/a	n/a	0.1244	n/a

M&G (Lux) Sustainable Global High Yield Bond Fund				
Distribution timetable				
Period to	30.11.23	31.12.23	31.01.24	29.02.24
Ex dividend date	18.12.23	22.01.24	19.02.24	18.03.24
Pay date	21.12.23	25.01.24	22.02.24	21.03.24
Distribution rate per share class				
Euro	EUR	EUR	EUR	EUR
Class 'A-H'	n/a	0.1069	n/a	n/a
Class 'C-H'	n/a	0.1110	n/a	n/a

# Notes to the financial statements

M&G (Lux) Sustainable Global High Yield Bond Fund				
<b>Sterling</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Class 'C-H'	n/a	0.1161	n/a	n/a
Class 'L-H'	n/a	0.1201	n/a	n/a
<b>Swiss franc</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>	<b>CHF</b>
Class 'A-H'	n/a	0.1052	n/a	n/a
Class 'C-H'	n/a	0.1094	n/a	n/a
<b>US dollar</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Class 'A'	n/a	0.1234	n/a	n/a
Class 'A M'	0.0381	0.0412	0.0474	0.0353
Class 'C'	n/a	0.1281	n/a	n/a

M&G (Lux) Sustainable Macro Flexible Credit Fund				
Distribution timetable				
Period to	31.03.23	30.06.23	30.09.23	31.12.23
Ex dividend date	24.04.23	24.07.23	23.10.23	22.01.24
Pay date	27.04.23	27.07.23	26.10.23	25.01.24
Distribution rate per share class				
<b>Euro</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Class 'P'	0.0715	0.0906	0.0898	0.0986
Class 'U'	0.0710	0.0909	0.0903	0.0993
Class 'UI'	0.0710	0.0909	0.0904	0.0994

M&G (Lux) Sustainable Optimal Income Bond Fund				
Distribution timetable				
Period to			31.03.23	30.09.23
Ex dividend date			24.04.23	23.10.23
Pay date			27.04.23	26.10.23
Distribution rate per share class				
<b>Euro</b>			<b>EUR</b>	<b>EUR</b>
Class 'A'			0.1448	0.1690
Class 'C'			0.1463	0.1699
Class 'CI'			0.1457	0.1707
<b>Swiss franc</b>			<b>CHF</b>	<b>CHF</b>
Class 'A-H'			0.1408	0.1687
Class 'C-H'			0.1417	0.1701

# Notes to the financial statements

M&G (Lux) Sustainable Optimal Income Bond Fund			
US dollar		USD	USD
Class 'A-H'		0.1492	0.1748
Class 'A-H M'		0.1495	0.1747
Class 'C-H'		0.1501	0.1760
Class 'CI-H'		0.1502	0.1762

## 14 Events occurred during the year

RBC Investor Services Bank S.A. changed its name to CACEIS Investor Services Bank S.A. on 3 July 2023.

The M&G (Lux) Global Enhanced Equity Premia Fund was liquidated on 27 July 2023. As at 31 March 2024, a cash balance of US\$25,764 remained on the sub-fund, which will be distributed to shareholders. As at year end, five illiquid securities remained unsold in custody. Three of these assets are currently under sanctions, and as a result, there are no public markets available for selling the securities. Consequently, these securities have been fair valued at zero as of year-end.

Predetermined yield of fixed share classes offered by M&G (Lux) Emerging Markets Bond Fund and M&G (Lux) Optimal Income Fund was increased in August 2023 as follows:

Sub-fund	Previous %	Current %
<b>M&amp;G (Lux) Emerging Markets Bond Fund</b>		
<b>South African rand</b>		
Class 'A-H M F1' Distribution	12	15
Class 'X-H M F1' Distribution	12	15
<b>US dollar</b>		
Class 'A M F' Distribution	9	12
Class 'X M F' Distribution	9	12
<b>M&amp;G (Lux) Optimal Income Fund</b>		
<b>Singapore dollar</b>		
Class 'A-H M F1' Distribution	4	7
<b>South African rand</b>		
Class 'A-H M F2' Distribution	9	12
Class 'X-H M F2' Distribution	9	12
<b>US dollar</b>		
Class 'A-H M F' Distribution	6	7
Class 'A-H M F1' Distribution	4	7
Class 'X-H M F' Distribution	6	7

M&G (Lux) Fixed Maturity Bond Fund 3 was launched on 27 September 2023.

# Notes to the financial statements

M&G (Lux) Absolute Return Bond Fund was liquidated on 3 November 2023. As at 31 March 2024, a cash balance of €12,857 remained on the sub-fund, which will be distributed to shareholders.

M&G (Lux) Fixed Maturity Bond Fund 2 was launched on 7 November 2023.

M&G (Lux) Global Artificial Intelligence Fund was launched on 9 November 2023.

M&G (Lux) TAP Global Listed Infrastructure Fund was launched on 16 November 2023.

M&G (Lux) Multi Asset 2023 Fund matured on 13 December 2023.

Predetermined yield of fixed share classes offered by M&G (Lux) Optimal Income Fund was decreased in February 2024 as follows:

Sub-fund	Previous %	Current %
<b>M&amp;G (Lux) Optimal Income Fund</b>		
<b>Singapore dollar</b>		
Class 'A-H M F1' Distribution	7	6
<b>US dollar</b>		
Class 'A-H M F1' Distribution	7	6

M&G (Lux) US Corporate Bond Fund was launched on 19 March 2024.

M&G (Lux) US High Yield Bond Fund was launched on 21 March 2024.

## 15 Subsequent events

The M&G (Lux) Fixed Maturity Bond Fund 1 was launched on 16 April 2024.

The M&G (Lux) Fixed Maturity Bond Fund was launched on 20 May 2024.

On 29 May 2024 M&G (Lux) Global Corporate Bond Fund changed its Investment Objective and Policy, Strategy and EU Sustainable Finance Disclosure Regulation. A reduction on Annual Management Charge and addition of Jamie Hamilton as co-sub-fund manager took place. The sub-fund also changed its name to M&G (Lux) Global Credit Investment Fund. Investors should refer to the Prospectus which is available on our website at [mandg.lu](http://mandg.lu)

On 26 June 2024 M&G (Lux) Emerging Markets Bond Fund and M&G (Lux) Emerging Markets Hard Currency Bond Fund changed its Investment Objectives and Policies, Strategies and EU Sustainable Finance Disclosure Regulations, investors should refer to the Prospectus which is available on our website at [mandg.lu](http://mandg.lu)

# Risk management policies (unaudited)

The sub-funds' investment activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest.

These financial statements are designed to enable users to evaluate the nature and extent of those risks and how they are managed.

## Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in a sub-fund's portfolio attributable to changes in market variables, such as interest rates, foreign exchange rates, equity and commodity prices or an issuer's creditworthiness.

In measuring and monitoring market risk, the global exposure of a sub-fund is calculated on a daily basis, using a 'commitment' approach or 'Value at Risk' (VaR) approach.

### 'Commitment' approach

The commitment approach is applied for sub-funds investing only in traditional asset classes, namely equities, fixed income, money market instruments and collective investment schemes.

In addition, the approach is applied for sub-funds which use or intend to use derivatives or instruments embedding derivatives, but only for efficient portfolio management purposes, or in a simple way not necessarily restricted to efficient portfolio management.

Under the commitment approach the global exposure of sub-funds is measured and monitored using a commitment (adjusted notional) methodology.

### 'Value at Risk' approach

There are two forms of VaR approaches, absolute and relative, which are described below:

#### Absolute VaR

The absolute VaR is used where a sub-fund seeks to estimate the potential loss it could experience in a month (20 trading days) under normal market

conditions. The requirement is that, 99% of the time, such sub-fund's worst outcome is no worse than a 20% decline in NAV.

### Relative VaR

The relative VaR of a sub-fund is expressed as a multiple of a benchmark or reference portfolio and cannot, under the same circumstances as above, exceed twice the VaR of the relevant benchmark or reference portfolio.

The table below shows sub-funds using the 'commitment' approach and those using the VaR approach:

Sub-fund	Global exposure approach
M&G (Lux) Absolute Return Bond Fund	Absolute VaR
M&G (Lux) Asian Fund	Commitment
M&G (Lux) Better Health Solutions Fund	Commitment
M&G (Lux) Climate Solutions Fund	Commitment
M&G (Lux) Diversity and Inclusion Fund	Commitment
M&G (Lux) Dynamic Allocation Fund	Absolute VaR
M&G (Lux) Emerging Markets Bond Fund	Relative VaR
M&G (Lux) Emerging Markets Hard Currency Bond Fund	Relative VaR
M&G (Lux) Episode Macro Fund	Absolute VaR
M&G (Lux) Euro Corporate Bond Fund	Relative VaR
M&G (Lux) European Inflation Linked Corporate Bond Fund	Absolute VaR
M&G (Lux) European Strategic Value Fund	Commitment
M&G (Lux) Fixed Maturity Bond Fund 2	Absolute VaR
M&G (Lux) Fixed Maturity Bond Fund 3	Absolute VaR
M&G (Lux) Global Artificial Intelligence Fund	Commitment
M&G (Lux) Global Convertibles Fund	Relative VaR
M&G (Lux) Global Corporate Bond Fund	Relative VaR
M&G (Lux) Global Dividend Fund	Commitment
M&G (Lux) Global Emerging Markets Fund	Commitment
M&G (Lux) Global Enhanced Equity Premia Fund	Commitment

# Risk management policies (unaudited)

Sub-fund	Global exposure approach
M&G (Lux) Global Floating Rate High Yield Fund	Relative VaR
M&G (Lux) Global High Yield Bond Fund	Relative VaR
M&G (Lux) Global Listed Infrastructure Fund	Commitment
M&G (Lux) Global Macro Bond Fund	Absolute VaR
M&G (Lux) Global Maxima Fund	Commitment
M&G (Lux) Global Sustain Paris Aligned Fund	Commitment
M&G (Lux) Global Target Return Fund	Absolute VaR
M&G (Lux) Global Themes Fund	Commitment
M&G (Lux) Income Allocation Fund	Absolute VaR
M&G (Lux) Japan Fund	Commitment
M&G (Lux) Japan Smaller Companies Fund	Commitment
M&G (Lux) Multi Asset 2023 Fund	Commitment
M&G (Lux) North American Dividend Fund	Commitment
M&G (Lux) North American Value Fund	Commitment
M&G (Lux) Optimal Income Fund	Absolute VaR
M&G (Lux) Pan European Sustain Paris Aligned Fund	Commitment
M&G (Lux) Positive Impact Fund	Commitment
M&G (Lux) Short Dated Corporate Bond Fund	Absolute VaR
M&G (Lux) Sustainable Allocation Fund	Absolute VaR
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	Relative VaR
M&G (Lux) Sustainable Global High Yield Bond Fund	Relative VaR
M&G (Lux) Sustainable Macro Flexible Credit Fund	Absolute VaR
M&G (Lux) Sustainable Multi Asset Growth Fund	Absolute VaR
M&G (Lux) Sustainable Optimal Income Bond Fund	Absolute VaR
M&G (Lux) TAP Global Listed Infrastructure Fund	Commitment
M&G (Lux) US Corporate Bond Fund	Relative VaR
M&G (Lux) US High Yield Bond Fund	Relative VaR

## VaR limit

When VaR is calculated as a percentage of the net asset value to assess a sub-fund's market risk, it may not be greater than the VaR limit set for the sub-fund.

For the financial year from 1 April 2023 to 31 March 2024 the tables below show the VaR limits set for the sub-funds, together with the lowest, highest and average VaR (note these numbers are actual absolute and relative VaR numbers and do not represent utilisation levels of the regulatory limit) calculated for each sub-fund during the year.

For the year to 31 March 2024	Absolute VaR			
	VaR limit %	Lowest %	Highest %	Average %
M&G (Lux) Absolute Return Bond Fund <sup>a</sup>	3.33	0.01	6.01	1.67
M&G (Lux) Dynamic Allocation Fund	18.00	3.84	5.15	4.63
M&G (Lux) Episode Macro Fund	20.00	1.32	8.53	3.92
M&G (Lux) European Inflation Linked Corporate Bond Fund	10.00	1.25	2.10	1.64
M&G (Lux) Fixed Maturity Bond Fund 2 <sup>b</sup>	13.00	0.42	0.71	0.57
M&G (Lux) Fixed Maturity Bond Fund 3 <sup>c</sup>	16.00	0.63	1.40	0.97
M&G (Lux) Global Macro Bond Fund	20.00	5.74	6.71	6.32
M&G (Lux) Global Target Return Fund	6.00	1.12	3.51	1.97
M&G (Lux) Income Allocation Fund	16.00	3.33	5.84	4.86
M&G (Lux) Optimal Income Fund	20.00	3.85	5.46	4.61
M&G (Lux) Short Dated Corporate Bond Fund	7.00	1.06	1.48	1.23
M&G (Lux) Sustainable Allocation Fund	18.00	4.30	5.48	4.94
M&G (Lux) Sustainable Macro Flexible Credit Fund	10.00	0.93	2.91	1.94



# Risk management policies (unaudited)

For the year to 31 March 2024	Absolute VaR			
	VaR limit %	Lowest %	Highest %	Average %
M&G (Lux) Sustainable Multi Asset Growth Fund	17.00	5.96	8.14	6.80
M&G (Lux) Sustainable Optimal Income Bond Fund	20.00	3.70	4.82	4.35

- <sup>a</sup> Data reflects the absolute VaR up to 3 November 2023 the close date of the sub-fund.
- <sup>b</sup> Data reflects the absolute VaR from 7 November 2023 the launch date of the sub-fund.
- <sup>c</sup> Data reflects the absolute VaR from 27 September 2023 the launch date of the sub-fund.

For the year to 31 March 2024	Relative VaR			
	VaR limit %	Lowest %	Highest %	Average %
M&G (Lux) Emerging Markets Bond Fund	200.00	114.57	136.03	124.21
M&G (Lux) Emerging Markets Hard Currency Bond Fund	200.00	110.12	144.30	127.32
M&G (Lux) Euro Corporate Bond Fund	200.00	99.65	113.95	105.29
M&G (Lux) Global Convertibles Fund	200.00	79.72	114.41	92.20
M&G (Lux) Global Corporate Bond Fund	200.00	102.58	125.66	113.57
M&G (Lux) Global Floating Rate High Yield Fund	200.00	94.20	114.60	102.55
M&G (Lux) Global High Yield Bond Fund	200.00	90.75	101.51	95.18
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund	200.00	102.15	123.48	110.87
M&G (Lux) Sustainable Global High Yield Bond Fund	200.00	88.71	103.37	97.64

For the year to 31 March 2024	Relative VaR			
	VaR limit %	Lowest %	Highest %	Average %
M&G (Lux) US Corporate Bond Fund <sup>a</sup>	200.00	100.23	103.55	101.38
M&G (Lux) US High Yield Bond Fund <sup>b</sup>	200.00	88.81	92.10	90.42

<sup>a</sup> Data reflects the relative VaR from 19 March 2024 the launch date of the sub-fund.

<sup>b</sup> Data reflects the relative VaR from 21 March 2024 the launch date of the sub-fund.

For the sub-funds utilising relative VaR calculation please find details of the benchmark or reference portfolio in the table below:

Benchmark(s) or reference portfolio(s) by sub-fund
<b>M&amp;G (Lux) Emerging Markets Bond Fund</b>
1/3 JPM EMBI Global Diversified Index
1/3 JPM CEMBI Broad Diversified Index
1/3 JPM GBI-EM Global Diversified Index
<b>M&amp;G (Lux) Emerging Markets Hard Currency Bond Fund</b>
JPM EMBI Global Diversified Index
<b>M&amp;G (Lux) Euro Corporate Bond Fund</b>
ICE BofAML Euro Corporate Index
<b>M&amp;G (Lux) Global Convertibles Fund</b>
Refinitiv Global Focus Convertible Bond Index
<b>M&amp;G (Lux) Global Corporate Bond Fund</b>
Bloomberg Global Aggregate Corporate Index USD Hedged
<b>M&amp;G (Lux) Global Floating Rate High Yield Fund</b>
ICE BofAML Global Floating Rate High Yield Index (3% constrained) USD Hedged
<b>M&amp;G (Lux) Global High Yield Bond Fund</b>
ICE BofAML Global High Yield Index USD Hedged
<b>M&amp;G (Lux) Sustainable Emerging Markets Corporate Bond Fund</b>
JPM CEMBI Broad Diversified Index
<b>M&amp;G (Lux) Sustainable Global High Yield Bond Fund</b>
Bloomberg MSCI Global HY Corporate ESG BB+ Sustainable SRI Bond Index

# Risk management policies (unaudited)

Benchmark(s) or reference portfolio(s) by sub-fund
<b>M&amp;G (Lux) US Corporate Bond Fund</b>
ICE BofA US Corporate Index
<b>M&amp;G (Lux) US High Yield Bond Fund</b>
ICE BofA US High Yield Constrained Index

## Leverage risk

Derivatives can be used by the sub-fund to generate market exposure to investments exceeding the net asset value. As a result of this exposure, positive or negative movement in markets may have a more significant effect on the net asset value of the sub-fund.

Derivatives can also be employed to hedge exposure. Consequently, higher derivative usage will not necessarily imply a higher level of risk for the sub-fund.

For sub-funds using VaR approaches we disclose the level of this leverage employed during the financial reporting year on a 'sum of notionals' basis. The lowest, highest and average level of leverage employed and utilisation of the leverage level calculated during the financial year from 1 April 2023 to 31 March 2024 are shown in the table below. Please note that not all the sub-funds were in existence for the whole financial year and therefore the data is only calculated from their respective launch dates (see footnote below table).

For the year to 31 March 2024 <sup>a</sup>	Lowest	Highest	Average
M&G (Lux) Absolute Return Bond Fund (€'000) <sup>b</sup>	3,685	47,108	31,005
M&G (Lux) Absolute Return Bond Fund (%) <sup>b</sup>	58.46	304.31	177.58
M&G (Lux) Dynamic Allocation Fund (€'000)	1,831,386	3,443,439	2,126,306
M&G (Lux) Dynamic Allocation Fund (%)	80.79	155.19	99.07
M&G (Lux) Emerging Markets Bond Fund (US\$'000)	732,988	1,904,983	945,828
M&G (Lux) Emerging Markets Bond Fund (%)	21.39	61.43	28.56

For the year to 31 March 2024 <sup>a</sup>	Lowest	Highest	Average
M&G (Lux) Emerging Markets Hard Currency Bond Fund (US\$'000)	11,437	74,054	21,194
M&G (Lux) Emerging Markets Hard Currency Bond Fund (%)	13.86	104.23	25.30
M&G (Lux) Episode Macro Fund (US\$'000)	736,209	2,530,492	1,423,157
M&G (Lux) Episode Macro Fund (%)	171.38	479.14	266.05
M&G (Lux) Euro Corporate Bond Fund (€'000)	45,094	96,348	65,580
M&G (Lux) Euro Corporate Bond Fund (%)	26.08	56.29	38.98
M&G (Lux) European Inflation Linked Corporate Bond Fund (€'000)	74,073	202,235	110,087
M&G (Lux) European Inflation Linked Corporate Bond Fund (%)	92.18	167.90	102.25
M&G (Lux) Fixed Maturity Bond Fund 2 (€'000) <sup>c</sup>	-	-	-
M&G (Lux) Fixed Maturity Bond Fund 2 (%) <sup>c</sup>	0.00	0.00	0.00
M&G (Lux) Fixed Maturity Bond Fund 3 (€'000) <sup>d</sup>	100,780	188,996	112,235
M&G (Lux) Fixed Maturity Bond Fund 3 (%) <sup>d</sup>	96.90	184.61	110.29
M&G (Lux) Global Convertibles Fund (US\$'000)	266,871	579,229	323,095
M&G (Lux) Global Convertibles Fund (%)	137.35	242.82	151.47
M&G (Lux) Global Corporate Bond Fund (US\$'000)	259,554	1,731,376	596,559
M&G (Lux) Global Corporate Bond Fund (%)	147.35	995.34	214.62
M&G (Lux) Global Floating Rate High Yield Fund (US\$'000)	2,832,409	9,976,271	3,704,835
M&G (Lux) Global Floating Rate High Yield Fund (%)	158.24	490.28	195.10

# Risk management policies (unaudited)

For the year to 31 March 2024 <sup>a</sup>	Lowest	Highest	Average
M&G (Lux) Global High Yield Bond Fund (US\$'000)	82,996	222,939	106,229
M&G (Lux) Global High Yield Bond Fund (%)	119.15	339.47	149.84
M&G (Lux) Global Macro Bond Fund (US\$'000)	604,195	1,664,937	781,504
M&G (Lux) Global Macro Bond Fund (%)	92.10	287.37	130.31
M&G (Lux) Global Target Return Fund (€'000)	31,230	115,132	53,587
M&G (Lux) Global Target Return Fund (%)	64.14	201.88	104.12
M&G (Lux) Income Allocation Fund (€'000)	1,055,709	2,879,437	1,417,192
M&G (Lux) Income Allocation Fund (%)	89.01	266.59	131.18
M&G (Lux) Optimal Income Fund (€'000)	10,901,997	23,578,779	14,597,155
M&G (Lux) Optimal Income Fund (%)	119.68	258.78	158.45
M&G (Lux) Short Dated Corporate Bond Fund (€'000)	366,040	1,108,094	475,525
M&G (Lux) Short Dated Corporate Bond Fund (%)	83.32	236.54	104.36
M&G (Lux) Sustainable Allocation Fund (€'000)	185,422	732,674	282,533
M&G (Lux) Sustainable Allocation Fund (%)	50.63	165.32	64.52
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund (US\$'000)	8,123	31,251	13,350
M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund (%)	22.93	87.68	36.98
M&G (Lux) Sustainable Global High Yield Bond Fund (US\$'000)	32,433	211,097	77,300
M&G (Lux) Sustainable Global High Yield Bond Fund (%)	76.01	209.87	108.46

For the year to 31 March 2024 <sup>a</sup>	Lowest	Highest	Average
M&G (Lux) Sustainable Macro Flexible Credit Fund (€'000)	26,995	70,668	33,873
M&G (Lux) Sustainable Macro Flexible Credit Fund (%)	14.30	42.98	22.83
M&G (Lux) Sustainable Multi Asset Growth Fund (€'000)	91,329	318,662	121,324
M&G (Lux) Sustainable Multi Asset Growth Fund (%)	59.05	192.89	73.84
M&G (Lux) Sustainable Optimal Income Bond Fund (€'000)	36,167	124,698	54,606
M&G (Lux) Sustainable Optimal Income Bond Fund (%)	78.81	266.96	117.25
M&G (Lux) US Corporate Bond Fund (US\$'000) <sup>e</sup>	7,645	8,031	7,835
M&G (Lux) US Corporate Bond Fund (%) <sup>e</sup>	10.11	10.63	10.38
M&G (Lux) US High Yield Bond Fund (US\$'000) <sup>f</sup>	–	–	–
M&G (Lux) US High Yield Bond Fund (%) <sup>f</sup>	0.00	0.00	0.00

<sup>a</sup> Global Exposure Stated as Gross Notional. Expressed as a percentage over sub-fund Valuation.

<sup>b</sup> Leverage data is up to 3 November 2023 the close date of the sub-fund.

<sup>c</sup> Leverage data is from 7 November 2023 the launch date of the sub-fund.

<sup>d</sup> Leverage data is from 27 September 2023 the launch date of the sub-fund.

<sup>e</sup> Leverage data is from 19 March 2024 the launch date of the sub-fund.

<sup>f</sup> Leverage data is from 21 March 2024 the launch date of the sub-fund.

# Other regulatory disclosures (unaudited)

## Remuneration

The below disclosure is made in accordance with Undertakings for Collective Investments in Transferable Securities ('UCITS') V and the Guidelines on sound remuneration policies under the UCITS issued by the European Securities and Markets Authority ('ESMA Guidelines').

M&G Luxembourg S.A. (the 'UCITS Management Company') is subject to a remuneration policy which is consistent with the principles outlined in the ESMA Guidelines.

The remuneration policy is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of employees is in line with the risk policies and objectives of the UCITS funds managed by the UCITS Management Company. Further details of the remuneration policy can be found here: [mandgplc.com/our-business/mandg-investments/mandg-investments-business-policies](http://mandgplc.com/our-business/mandg-investments/mandg-investments-business-policies). The remuneration policy and its implementation is reviewed on an annual basis, or more frequently where required, and is approved by the M&G plc Board Remuneration Committee. The most recent review found no fundamental issues with no material changes made to the policy.

M&G Luxembourg S.A. is required under UCITS law to make quantitative disclosures of remuneration. These disclosures are made in line with M&G's interpretation of currently available guidance on quantitative remuneration disclosures. As market or regulatory guidance evolves, M&G may consider it appropriate to make changes to the way in which quantitative disclosures are calculated.

The 'Identified Staff' of M&G Luxembourg S.A. are those who could have a material impact on the risk profile of M&G Luxembourg S.A. or the UCITS funds it manages and generally includes senior management, risk takers and control functions. 'Identified Staff' typically provide both UCITS and non-UCITS related services and have a number of areas of responsibility. Therefore, only the portion of remuneration for those individuals' services which may be attributable to UCITS

is included in the remuneration figures disclosed. Accordingly the figures are not representative of any individual's actual remuneration. The information needed to provide a further breakdown of remuneration is not readily available and would not be relevant or reliable.

The amounts shown below reflect payments made in respect of the calendar year 1 January 2023 to 31 December 2023.

	Fixed Remuneration €'000	Variable Remuneration €'000	Total €'000	Beneficiaries
Senior Management	2,446	4,244	6,690	13
Other Identified Staff	6,175	25,643	31,818	44
Staff Member	16,122	11,026	27,148	208
<b>Total</b>	<b>24,743</b>	<b>40,913</b>	<b>65,656</b>	<b>265</b>

## Securities Financing Transactions Regulation (SFTR)

Under the Securities Financing Transactions Regulation ('SFTR'), the Fund is required to disclose certain information in relation to its use of Securities Financing Transactions ('SFTs') including Total Return Swaps ('TRSs'). SFTs include various types of transactions, however, the Fund is currently only permitted to enter into TRSs, and only in relation to the following sub-funds:

- M&G (Lux) Dynamic Allocation Fund
- M&G (Lux) Emerging Markets Bond Fund
- M&G (Lux) Emerging Markets Hard Currency Bond Fund
- M&G (Lux) Episode Macro Fund
- M&G (Lux) Euro Corporate Bond Fund
- M&G (Lux) European Inflation Linked Corporate Bond Fund

# Other regulatory disclosures (unaudited)

- M&G (Lux) Global Corporate Bond Fund
- M&G (Lux) Global Floating Rate High Yield Fund
- M&G (Lux) Global High Yield Bond Fund
- M&G (Lux) Global Macro Bond Fund
- M&G (Lux) Global Target Return Fund
- M&G (Lux) Income Allocation Fund
- M&G (Lux) Optimal Income Fund
- M&G (Lux) Short Dated Corporate Bond Fund
- M&G (Lux) Sustainable Allocation Fund
- M&G (Lux) Sustainable Global High Yield Bond Fund
- M&G (Lux) Sustainable Multi Asset Growth Fund
- M&G (Lux) Sustainable Optimal Income Bond Fund
- M&G (Lux) US Corporate Bond Fund
- M&G (Lux) US High Yield Bond Fund

During the year from 1 April 2023 to 31 March 2024 no sub-funds entered into Total Return Swaps.

## Swiss investor information

For sub-funds registered in Switzerland FINMA requires to disclose the Total Expense Ratio (TER).

For these sub-funds the TERs are disclosed in the 'Shares in issue, Net Asset Values and Total Expense Ratios' table that can be found in each sub-fund's financial highlights section.

# Annex 1: Sustainable Finance Disclosure Regulation (unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Asian Fund  
**Legal Entity Identifier:** 5493000RHSL7KYFYW10

## Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes    No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 52.1% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics. The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and

"Other" Investments.

**Sustainability indicators**

measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

Both of these tests were met. The comparison of the Fund's Score with the investment universe can be seen in the table below. The Fund's ESG Score was 6.24 which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	6.24 ESG Score	98.75%	95.82%
Portfolio weighted average ESG score for the Investment Universe	6.13 ESG Score	100.00%	98.42%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	6.01 ESG Score	98.17%	96.03%
Portfolio weighted average ESG score for the Investment Universe	5.99 ESG Score	98.90%	49.66%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reporting period at 52.10% was lower than the previous reporting period, when it was 57.78%. As it did in the previous reporting period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was higher than in the last reporting period, as can be seen in the table above. As it did in the previous reporting period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 6.24.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
TAIWAN SEMICONDUCTOR MANUFACTURING	Manufacturing	7.46%	TW
SAMSUNG ELECTRONICS LTD	Manufacturing	5.32%	KR
TENCENT HOLDINGS LTD	Information and communication	3.20%	CN
DBS GROUP HOLDINGS LTD	Financial and insurance activities	2.96%	SG
BHP GROUP LTD	Mining and quarrying	2.69%	AU
AMCOR CDI PLC	Manufacturing	2.16%	AU
HDFC BANK LTD	Financial and insurance activities	2.10%	IN
PACIFIC BASIN SHIPPING LTD	Transportation and storage	2.01%	HK
NATIONAL AUSTRALIA BANK LTD	Financial and insurance activities	1.98%	AU
ALIBABA GROUP HOLDING LTD	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.95%	CN
JD.COM CLASS A INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.95%	CN
ANZ GROUP HOLDINGS LTD	Financial and insurance activities	1.93%	AU
AIA GROUP LTD	Financial and insurance activities	1.90%	HK
KB FINANCIAL GROUP INC	Financial and insurance activities	1.75%	KR
WOODSIDE ENERGY GROUP LTD	Mining and quarrying	1.70%	AU



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

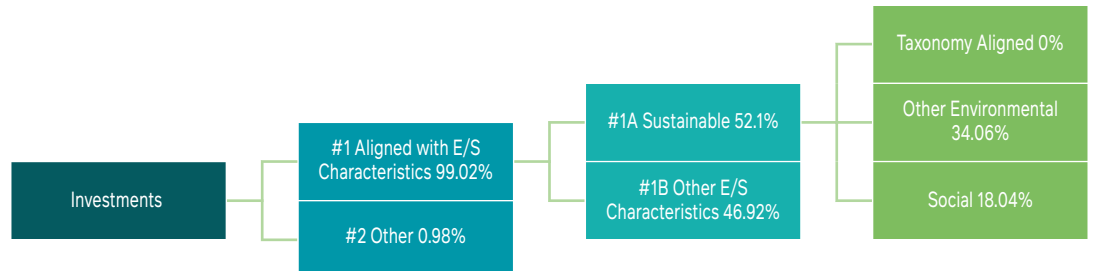
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.02% of NAV as at 31 March 2024. This comprised 52.10% of NAV in sustainable investments, and the remaining 46.92% of NAV in investments with other environmental and/or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy. 34.06% related to investments with other environmental characteristics, and 18.04% related to socially sustainable investments.

0.98% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	34.60%
Financial and insurance activities	27.68%
Information and communication	8.33%
Wholesale and retail trade; repair of motor vehicles and motorcycles	6.83%
Transportation and storage	5.80%
Mining and quarrying	5.48%
Construction	4.70%
Electricity, gas, steam and air conditioning supply	1.97%
Accommodation and food service activities	1.58%
Other	1.31%
Real estate activities	1.28%
Professional, scientific and technical activities	0.43%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 0% while climate change adaptation contributed 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

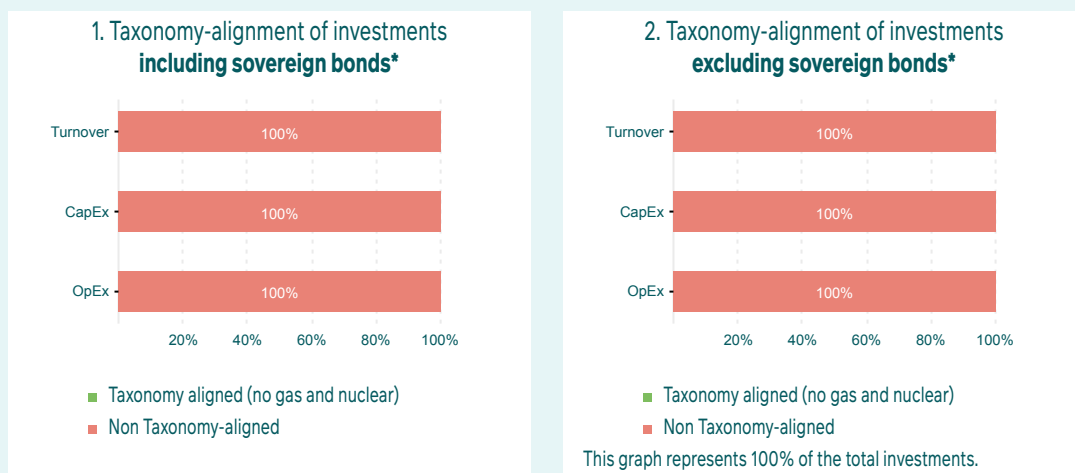
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reporting period was 0% and was therefore the same as in the previous reporting period when it was also 0%.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 34.06%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 18.04%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, derivatives and currency derivatives as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

No minimum environmental or social safeguards are applied to FX derivatives. The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Better Health Solutions Fund  
**Legal Entity Identifier:** 254900DW70X08JEEMU71

## Sustainable investment objective

### Did this financial product have a sustainable investment objective?

No
  **Yes**

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: 97.84%**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that deliver solutions to address better health and well-being, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

The majority of portfolio companies (representing 87.92% of the fund's Net Asset Value) aligned most closely with SDG 3: Good health and well-being, as might be expected from an investment fund focusing on better health and well-being outcomes.

Some of the fund's investee companies contributed to SDG 8: Decent work and economic growth, for example, Amerisafe. Amerisafe specialises in workers' compensation insurance for small and medium-sized companies in

hazardous industries.

In the reference period, 8.61% of the fund's NAV aligned with SDG 8: Decent work and economic growth.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG2 Zero Hunger	0%	100%	98.05%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG3 Good Health and Wellbeing	88.39%	100%	98.05%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG6 Clean Water and Sanitation	0%	100%	98.05%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG11 Sustainable Cities	0%	100%	98.05%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG12 Responsible Consumption and Production	0%	100%	98.05%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG8 Decent Work and Economic Growth	6.45%	100%	98.05%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG2 - Zero Hunger	0%	100%	99.93%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG3 - Good Health and Wellbeing	87.92%	100%	97.38%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG6 - Clean Water and Sanitation	0%	100%	99.93%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG11 - Sustainable Cities	0%	100%	97.38%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG12 - Responsible Consumption and Production	0%	100%	99.93%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG8 - Decent Work and Economic Growth	8.61%	100%	99.93%

● **...and compared to previous periods?**

In the reference period, 87.92% of the fund's NAV was invested in companies contributing to SDG 3: Good health and wellbeing. This is a slight decrease on the previous reporting period's figure of 88.39%.

In the last reporting period, 6.45% of the fund's investments contributed to SDG 8: Decent work and economic growth. This figure rose to 8.61% in the reference period.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions. The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
NOVO NORDISK CLASS B	Manufacturing	8.71%	DK
THERMO FISHER SCIENTIFIC INC	Manufacturing	5.50%	US
UNITEDHEALTH GROUP INC	Financial and insurance activities	5.03%	US
BECTON DICKINSON	Manufacturing	4.80%	US
ASTRAZENECA PLC	Manufacturing	4.73%	GB
QUEST DIAGNOSTICS INC	Human health and social work activities	4.44%	US
COLGATE-PALMOLIVE	Manufacturing	4.11%	US
AUTOLIV INC	Manufacturing	3.97%	SE
GLAXOSMITHKLINE	Manufacturing	3.84%	GB
ALCON AG	Manufacturing	3.84%	CH
ECOLAB INC	Construction	3.69%	US
INTERTEK GROUP PLC	Professional, scientific and technical activities	3.41%	GB
VEEVA SYSTEMS INC CLASS A	Information and communication	3.37%	US
AMERISAFE INC	Financial and insurance activities	3.37%	US
SHIMANO INC	Manufacturing	2.99%	JP





### What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 80% of the Fund to be invested in social sustainable investments, in pursuit of the social sustainable investment objective.

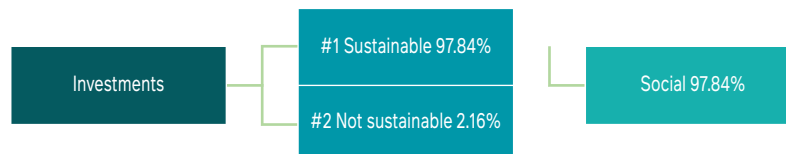
As of 31 March 2024, 97.84% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 80%. The fund did not commit to invest in investments aligned to the EU Taxonomy, and 0% of the sustainable investments were aligned to the EU Taxonomy. 0% related to investments with environmental objectives while 97.84% related to investments with a social objective.

2.16% of the Fund was composed of "not sustainable" investments (cash).

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

### In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	69.28%
Financial and insurance activities	8.39%
Human health and social work activities	6.78%
Professional, scientific and technical activities	4.60%
Construction	3.69%
Information and communication	3.37%
Other	2.10%
Arts, entertainment and recreation	0.83%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.68%
Administrative and support service activities	0.27%



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 0%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

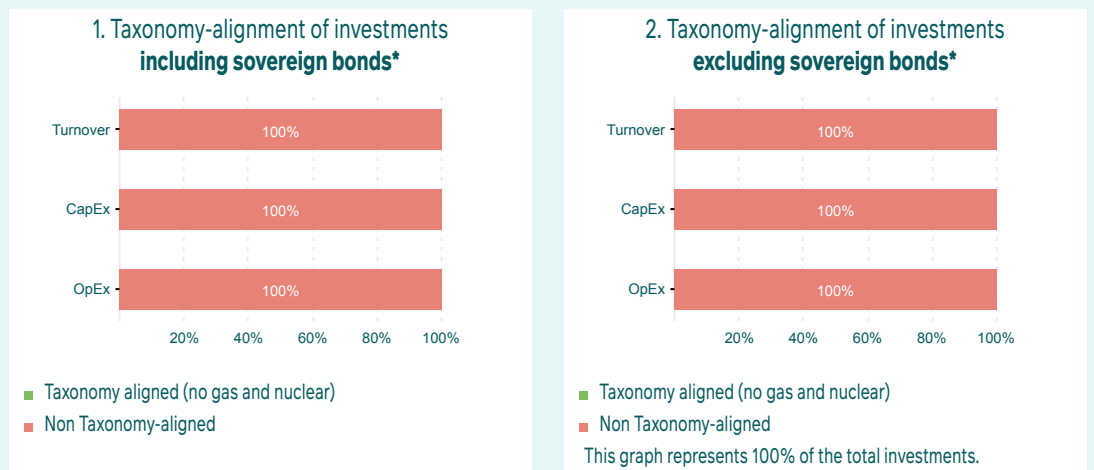
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:  In fossil gas  In nuclear energy
- No

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional and enabling activities over the period was 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During both the reference period and the previous reporting period, the fund held 0% in taxonomy-aligned investments.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 0%. This compares to a minimum percentage commitment of 0% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



- **What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 97.84%. This compares to a minimum percentage commitment of 80% stated in the Fund's precontractual disclosure.



- **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



## What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund has invested in companies that deliver solutions to address better health and well-being. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective.

For example, we liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We believe Novo Nordisk is doing all it can to prevent abuse of Wegovy.

In 2023, we met Oxford Nanopore to verify whether it had effective policies and procedures in place to avoid misuse of its equipment, particularly in China and Tibet. In early 2024, we followed up on this meeting. We asked the company to release a public statement about where it will not sell its products and also suggested that the business provide further training to its operations staff to clearly explain why sales restrictions are in place.

In our previous meeting with the company, it confirmed that it tends to lease out its products. This means it has greater visibility on usage and better access to data. The products do not work (even when sold) without Oxford Nanopore's software. Products also collect telemetry data which means product locations can be tracked.

In our follow-up meeting, Oxford Nanopore once again stressed that it has restrictions in place when it comes to use of its products by police forces and the military. It asserted that in many regions which are potentially controversial, it is primarily health NGOs that use its equipment. It therefore would not want to stop selling into these areas. The company will consider our request for a more developed public policy explaining its terms and conditions for product use and will also think about enhancing the training provided to those working in operations. The company also confirmed that its bioethics committee has now met five or six times.



## How did this financial product perform compared to the reference sustainable benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Climate Solutions Fund - EUR A Accumulation shares  
**Legal Entity Identifier:** LU2226639461

## Sustainable investment objective

Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:** 96.05%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that deliver solutions to the challenge of climate change, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 13.40%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is

available.

Notably, 15.71% of the fund's Net Asset Value (NAV) was invested in companies providing solutions to the climate challenge while 67.64% of NAV was invested in companies that have a net positive effect on carbon emissions (these companies are deemed to remove more potential carbon emissions than they produce). The fund also invested 66.64% of NAV in companies that have committed to setting or have set science-based targets. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG7 - Affordable and Clean Energy	17.44%	97.92%	98.41%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG9 Industry, Innovation and Infrastructure	32.95%	97.92%	98.41%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG11 Sustainable Cities	10.54%	97.92%	98.41%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG15 Life on Land	3.08%	97.92%	98.41%
Percentage (%) of NAV with ratified Science Based Targets (SBTs)	44.64%	97.92%	61.81%
% of CO2 emissions with Science Based Targets (SBTs)	71.90% tCO2e	96.33%	59.09%
Percentage (%) of NAV committed to Science Based Targets (SBTs)	9.21%	97.92%	61.81%
Percentage (%) of NAV participating in Task Force on Climate Related Financial Disclosures (TCFD) reporting	67.42%	97.92%	95.33%
Percentage (%) of NAV in investments with net positive carbon emissions (i.e. investments that are considered to remove more potential carbon emissions than they produce)	87.10%	97.92%	98.41%
Percentage (%) of NAV in Climate Solutions companies	20.81%	96.33%	100%
Total renewable energy produced (megawatt hours)	3335.53 Mwh	97.92%	12.48%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG12 Responsible Consumption and Production	20.24%	97.92%	98.41%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG7 - Affordable and Clean Energy	12.93%	100%	85.86%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG9 - Industry, Innovation and Infrastructure	36.24%	100%	99.73%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG11 - Sustainable Cities	5.63%	100%	85.86%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG15 - Life on Land	0%	100%	99.73%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	50.91%	100%	81.74%
% of CO2 emissions with Science Based Targets (SBTs)	74.47% tCO2e	97.01%	84.31%
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	15.73%	100%	81.74%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	72.73%	100%	95.44%
Percentage (%) of NAV in investments with net positive carbon emissions (i.e. investments that are considered to remove more potential carbon emissions than they produce)	67.64%	100%	99.73%
Percentage (%) of NAV in Climate Solutions companies	15.71%	97.01%	100%
Total renewable energy produced (megawatt hours)	52899500 Mwh	100%	1.94%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG12 - Responsible Consumption and Production	24.59%	100%	99.73%

- **...and compared to previous periods?**

In the reference period, 15.71% of the fund was invested in climate solutions companies. This reflects a decrease on the previous reporting period's figure which was 20.81%.

During the reference period, 67.64% of NAV was invested in companies that have a net positive effect on carbon emissions (investments that are considered to remove more potential carbon emissions than they produce), a decrease on the previous reporting period's figure of 87.10%.

In the previous reporting period, 53.85% of NAV was held in companies that have committed to setting or have set science-based targets. In the reference period, this figure increased to 66.64%.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
LINDE PLC	Manufacturing	5.90%	GB
REPUBLIC SERVICES INC	Water supply; sewerage, waste management and remediation activities	5.63%	US
EQUINIX REIT INC	Information and communication	4.85%	US
SCHNEIDER ELECTRIC	Manufacturing	4.79%	FR
ON SEMICONDUCTOR CORP	Manufacturing	4.59%	US
ANSYS INC	Information and communication	4.21%	US
BALL CORP	Manufacturing	3.96%	US
TREX INC	Manufacturing	3.70%	US
AUTODESK INC	Information and communication	3.63%	US
ELIA GROUP SA	Electricity, gas, steam and air conditioning supply	3.62%	BE
BRAMBLES LTD	Manufacturing	3.12%	AU
TOMRA SYSTEMS	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.99%	NO
BEFESA SA	Water supply; sewerage, waste management and remediation activities	2.98%	LU
INTERTEK GROUP PLC	Professional, scientific and technical activities	2.98%	GB
ENPHASE ENERGY INC	Manufacturing	2.79%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 80% of the Fund to be invested in environmental sustainable investments, in pursuit of the environmental sustainable investment objective.

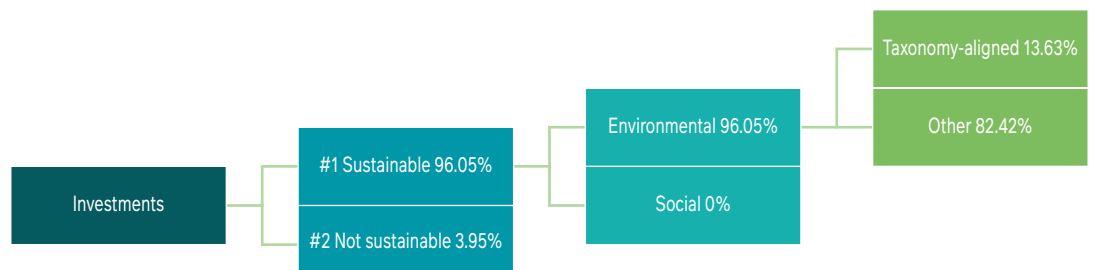
As of 31 March 2024, 96.05% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 80%. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 13.63% of the sustainable investments were aligned to the EU Taxonomy. 82.42% related to investments with other environmental objectives.

3.95% of the Fund was composed of "not sustainable" investments (cash).

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	51.59%
Information and communication	15.46%
Water supply; sewerage, waste management and remediation activities	11.34%
Electricity, gas, steam and air conditioning supply	9.29%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.02%
Other	2.99%
Professional, scientific and technical activities	2.98%
Other service activities	1.34%



- **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 13.63% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 13.40%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	13.40%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

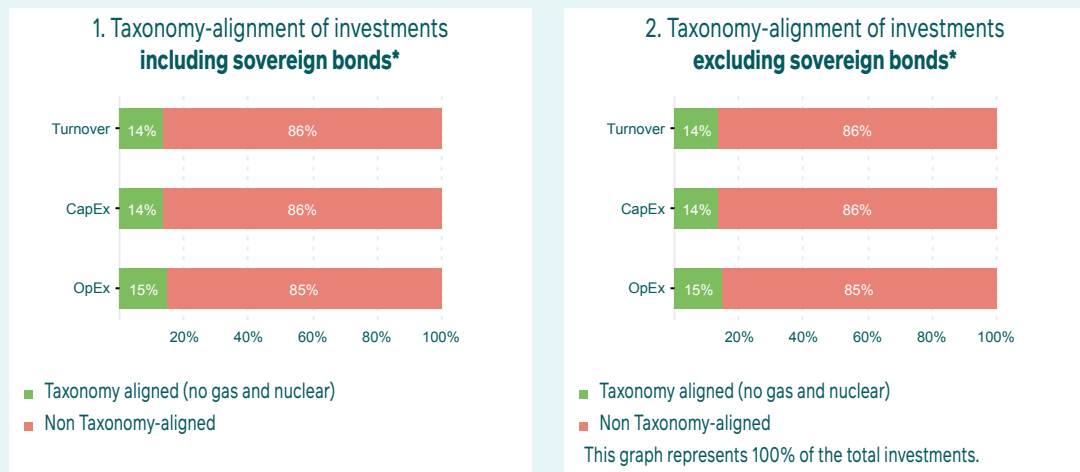
- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 1.24% while the share of the Fund's investments made in enabling activities was 8.31% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	1.24%
Share of Enabling Activities	8.31%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 13.63% in taxonomy-aligned investments. This is an increase on the previous reporting period's figure which was 13.42%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 82.42%.

This compares to a minimum percentage commitment of 80% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The Fund has invested in companies that deliver solutions to the challenge of climate change. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective.

For example, we met German industrial gases company Linde to encourage it to publish a Scope 3 inventory, particularly in relation to use of its products. We also urged the company to publish Scope 3 reduction targets. We further discussed calculation of its Scope 4 emissions and suggested that it disclose how its capex aligns with its carbon reduction strategy. The company has now published a Scope 3 inventory, with targets to follow.

We also encouraged US-listed online marketplace eBay to more explicitly link remuneration KPIs to sustainability targets. In response to our suggestion that it set a net zero target, the company confirmed that it would be doing so and that it planned to seek SBTi validation for this.

We discussed two key issues with Johnson Controls. The first pertained to a cyberattack carried out on the company in 2023. In light of this, we wanted to ensure that the business had implemented the requisite systems, controls and procedures to limit damage in case of any future attack. Secondly, we wished to verify that the company was no longer exposed to perfluoroalkyl and polyfluoroalkyl substances (PFAS), often termed “forever chemicals”.

The company asserted that the cyberattack prompted it to review and strengthen its risk mitigation strategy. It has also hired a new chief information officer and chief technology officer, further bolstering cybersecurity at the business.

Unfortunately, Johnson Controls is currently the subject of a class action connected to PFAS contamination. The action relates to a product whose chemical composition had been mandated by the US government. The company confirmed that is now selling a compliant version of the product and that nothing else that it sells contains PFAS.



### **How did this financial product perform compared to the reference sustainable benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### **● How did the reference benchmark differ from a broad market index?**

N/A.

#### **● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform compared with the reference benchmark?**  
N/A.
- **How did this financial product perform compared with the broad market index?**  
N/A.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Diversity and Inclusion Fund  
**Legal Entity Identifier:** 254900YIO1LVTNZ3KH90

## Sustainable investment objective

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** 96.63%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that have demonstrable gender and/or ethnic diversity, or which provide solutions empowering social equality, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Companies representing 79.84% of the fund's Net Asset Value reported board gender diversity greater than 30%. This is a requirement for those companies we class as 'diversity' companies (it is not, however, a requirement for 'inclusion' companies). We will engage with 'diversity' companies whose board gender diversity falls below 30% to find out what measures will be taken to improve this in the quickest and smoothest fashion possible.

It is worth highlighting that the coverage numbers tend to be lower for indicators pertaining to ethnic diversity

representation at board level and diversity at leadership level, and annual changes to these; this is because there is less data availability in this area. This data is supplied by investee companies, and although we have seen improvements in disclosure in recent years, there is further to go. Importantly, certain investee companies also operate in regions where the disclosure of workforce ethnicity information is restricted. However, where possible, we are prioritising engaging with investee companies on the theme of improving disclosure of data on gender and ethnic minority representation.

Investee companies also contributed towards a range of United Nations Sustainable Development Goals (SDGs), including SDG 5: Gender equality, SDG 8: Decent work and economic growth, and SDG 9: Industry, innovation and infrastructure.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Year-on-Year Change of women on the board	0%	96.73%	49.12%
Year-on-Year Change of women in leadership roles	0.59%	96.73%	57.26%
Year-on-Year Change of ethnic diversity on the board	0%	96.73%	27.02%
Year-on-Year Change of ethnic diversity in leadership roles	-	96.73%	0%
Percentage (%) NAV with board gender diversity (more than 30%), as reported by the company	81.53%	98.40%	96.75%
Percentage (%) NAV with board ethnic diversity (more than 30%), as reported by the company	14.15%	98.40%	51.55%
Percentage (%) NAV considered by the Investment Manager to have leadership diversity, based on data reported by the company	-	98.40%	0%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG3 Good Health and Wellbeing	10.59%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG4 Quality Education	0%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG5 Gender Equality	4.43%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG8 Decent Work and Economic Growth	8.92%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG9 Industry, Innovation and Infrastructure	10.41%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG10 Reduced Inequalities	6.69%	98.40%	98.32%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG16 Peace, Justice and Strong Institutions	0%	98.40%	98.32%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV with board gender diversity (more than 30%), as reported by the company	79.83%	100%	96.11%
Percentage (%) of NAV with board ethnic diversity (more than 30%), as reported by the company	12.42%	100%	35.79%
Percentage (%) NAV considered by the Investment Manager to have leadership diversity, based on data reported by the company	-	100%	0%
Year-on-Year Change of women in leadership roles	-3%	96.63%	63.61%
Year-on-Year Change of ethnic diversity on the board	0.11%	96.63%	13.32%
Year-on-Year Change of ethnic diversity in leadership roles	-	96.63%	0%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG3 - Good Health and Wellbeing	8.19%	100%	95.33%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG4 - Quality Education	1.62%	100%	95.33%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG5 - Gender Equality	4.62%	100%	99.79%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG8 - Decent Work and Economic Growth	9.43%	100%	99.79%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG9 - Industry, Innovation and Infrastructure	13.15%	100%	99.79%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG10 - Reduced Inequalities	4.27%	100%	99.79%
Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals ("SDGs"): SDG16 - Peace, Justice and Strong Institutions	0%	100%	99.79%
Year-on-Year Change of women on the board	0.19%	96.63%	49.44%

- **...and compared to previous periods?**

In the reference period, 79.84% of the fund's NAV was invested in companies that reported board gender diversity greater than 30%. This is a slight decrease on the previous reporting period's figure which was 81.53%.

During the reference period the percentage of the fund's NAV aligned to UN SDG 5: Gender equality increased slightly to 4.62% (from 4.43% in the previous reporting period). Similarly, the percentage of NAV aligned to SDG 8: Decent work and economic growth rose to 9.43%, from 8.92% in the previous reporting period. During the period, the percentage of NAV aligned to SDG 9: Industry, innovation and infrastructure also increased to 13.15% from 10.41% in the previous reporting period.

However, the percentage of NAV aligned to SDG 10: Reduced inequalities fell to 4.27% from 6.69% in the previous reporting period.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
MICROSOFT CORP	Information and communication	5.02%	US
SCHNEIDER ELECTRIC	Manufacturing	4.22%	FR
VISA INC CLASS A	Financial and insurance activities	3.84%	US
AIB GROUP PLC	Financial and insurance activities	3.82%	IE
ANSYS INC	Information and communication	3.79%	US
BRAMBLES LTD	Manufacturing	3.73%	AU
RELX PLC	Information and communication	3.71%	GB
QUEST DIAGNOSTICS INC	Human health and social work activities	3.64%	US
BANK OF GEORGIA GROUP PLC	Financial and insurance activities	3.56%	GE
HDFC BANK ADR REPRESENTING THREE L	Financial and insurance activities	3.55%	IN
MSA SAFETY INC	Manufacturing	3.50%	US
INTACT FINANCIAL CORP	Financial and insurance activities	3.43%	CA
COCHLEAR LTD	Manufacturing	3.32%	AU
COLGATE-PALMOLIVE	Manufacturing	3.28%	US
UNILEVER PLC	Manufacturing	3.22%	GB



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 80% of the Fund to be invested in social sustainable investments, in pursuit of the social sustainable investment objective.

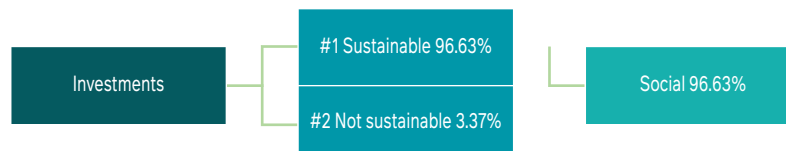
As of 31 March 2024, 96.63% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 80%. The fund did not commit to invest in investments aligned to the EU Taxonomy: 0% of the sustainable investments were aligned to the EU Taxonomy and 0% related to investments with environmental objectives. 96.63% related to investments with a social objective.

3.37% of the Fund was composed of "not sustainable" investments (cash).

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	29.73%
Information and communication	21.98%
Financial and insurance activities	19.73%
Wholesale and retail trade; repair of motor vehicles and motorcycles	10.29%
Human health and social work activities	8.26%
Other	3.37%
Administrative and support service activities	2.84%
Construction	2.12%
Water supply; sewerage, waste management and remediation activities	1.67%



- **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 0.87%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.87%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

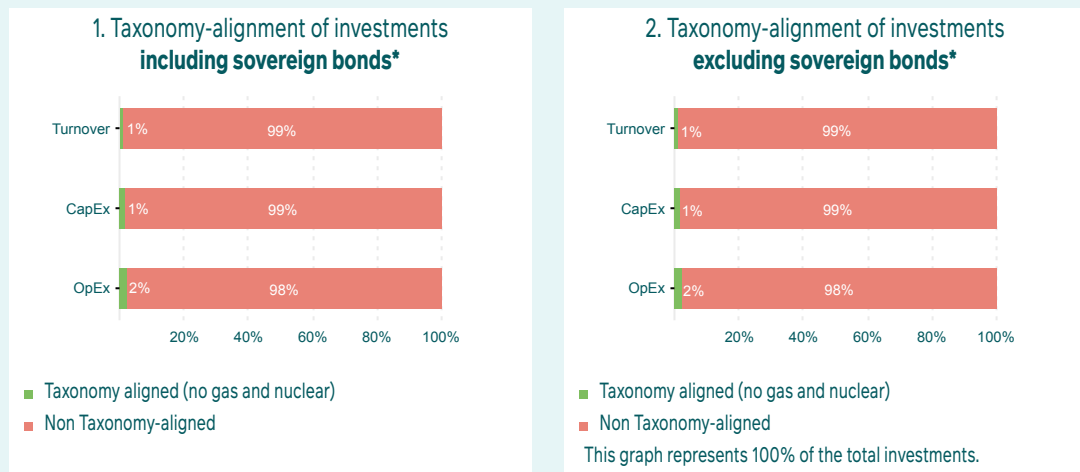
- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

Over the period, the share of the Fund's investments made in transitional activities was 0% while the share of the Fund's investments made in enabling activities was 0.87%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.87%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During both the reference period and the previous reporting period, the fund held 0% in taxonomy-aligned investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 0%. This compares to a minimum percentage commitment of 0% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 96.63%. This compares to a minimum percentage commitment of 80% stated in the Fund's precontractual disclosure.



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The Fund has invested in companies that have demonstrable gender and/or ethnic diversity, or which provide solutions empowering social equality.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective.

For example, in light of the merger between Indian mortgage provider HDFC and HDFC Bank, we sought to confirm that the newly formed entity would continue to pursue existing climate pledges. We liaised with HDFC Bank, asking for information on a range of issues including the group's climate strategy, its commitment to publishing science-based targets and its lending policies for different sectors. The bank confirmed that the new entity will work towards net zero. Science-based targets will be contemplated once net zero targets have been implemented. In terms of its approach to different sectors, and in particular high-polluting industries, the bank confirmed that it would devise a strategy on this issue. It plans to spend the next two years working out the strategy, seeking to implement a policy by 2025/26.

We met UK retailer WH Smith to ask it to publish milestones in its roadmap for achieving emission reduction targets. We proposed that it tie some executive remuneration into reaching these milestones. The company understood our rationale for seeking the publication of milestones (it would allow us to ensure the company was on track to meeting its targets) and said it would think about the request. At the time of our meeting, WH Smith was going into its three-year remuneration policy review. The company stated that it was considering enhancing chief executives' packages so that they are more competitive.

We also reiterated our suggestion that WH Smith's workforce be paid in line with the real living wage. The company asserted that it was currently paying at a premium to the statutory minimum wage. It stated that bringing salaries in line with the real living wage could have an impact on profitability and potentially result in store closures. We were clear that we did not want our suggestion on this issue to have unintended consequences; we proposed that employees move on to a real living wage equivalent after completing training, which takes three to six months. We think this could act as a tool for recruitment and retention. The company said it would consider our proposals, but takes the view that wage increases are more of a gradual evolution. It has hired a new chief people officer, who is putting a new people strategy in place.



### **How did this financial product perform compared to the reference sustainable benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### **● How did the reference benchmark differ from a broad market index?**

N/A

#### **● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Dynamic Allocation Fund  
**Legal Entity Identifier:** 549300PZ80BI5Q8OS924

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 73.68% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	0.32%	100.00%

- **...and compared to previous periods?**

The Fund sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reference period, as they did in the previous reporting period.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 73.68% in sustainable investments in this reference period. This is slightly higher than it was in the previous reference period, when it was 71.33%.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	5.33%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	5.26%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	4.29%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	3.98%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	3.72%	FR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	3.45%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.88%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.87%	DE
MEXICO (UNITED MEXICAN STATES) (GO	Public administration and defence; compulsory social security	2.25%	MX
BRAZIL FEDERATIVE REPUBLIC OF (GOV	Public administration and defence; compulsory social security	1.59%	BR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.59%	FR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.58%	FR
SOUTH AFRICA (REPUBLIC OF)	Public administration and defence; compulsory social security	1.54%	ZA
MEXICO (UNITED MEXICAN STATES) (GO	Public administration and defence; compulsory social security	1.52%	MX
BRAZIL NOTAS DO TESOURO NACIONAL S	Other	1.52%	BR





## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

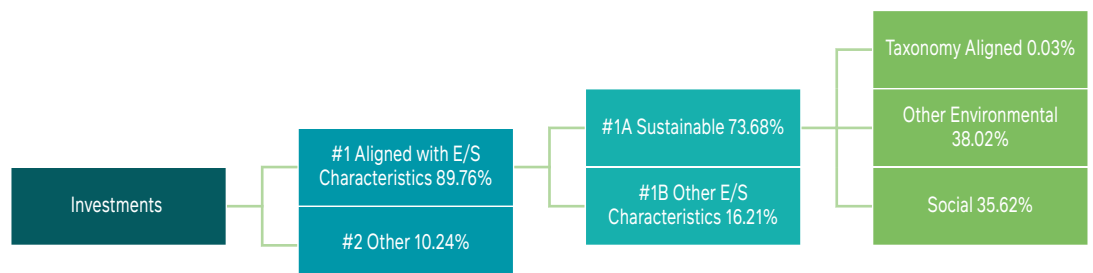
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 89.76% of NAV as at 31 March 2024. This comprised 73.68% of NAV in sustainable investments, and the remaining 16.21% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.03% were aligned to the EU Taxonomy. 38.02% related to investments with other environmental characteristics, and 35.62% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

## What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Public administration and defence; compulsory social security	52.61%
Financial and insurance activities	25.24%
Manufacturing	6.16%
Other	4.83%
Mining and quarrying	2.41%
Information and communication	2.39%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.53%
Real estate activities	1.03%
Transportation and storage	0.94%
Electricity, gas, steam and air conditioning supply	0.71%
Human health and social work activities	0.64%
Construction	0.35%
Administrative and support service activities	0.32%
Professional, scientific and technical activities	0.31%
Accommodation and food service activities	0.19%
Water supply; sewerage, waste management and remediation activities	0.19%
Activities of extraterritorial organisations and bodies	0.06%
Arts, entertainment and recreation	0.05%
Education	0.01%
Other service activities	0.01%
Agriculture, forestry and fishing	0.00%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.03%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it.

Climate change mitigation accounted for 0.27% while climate change adaptation accounted for 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.27%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

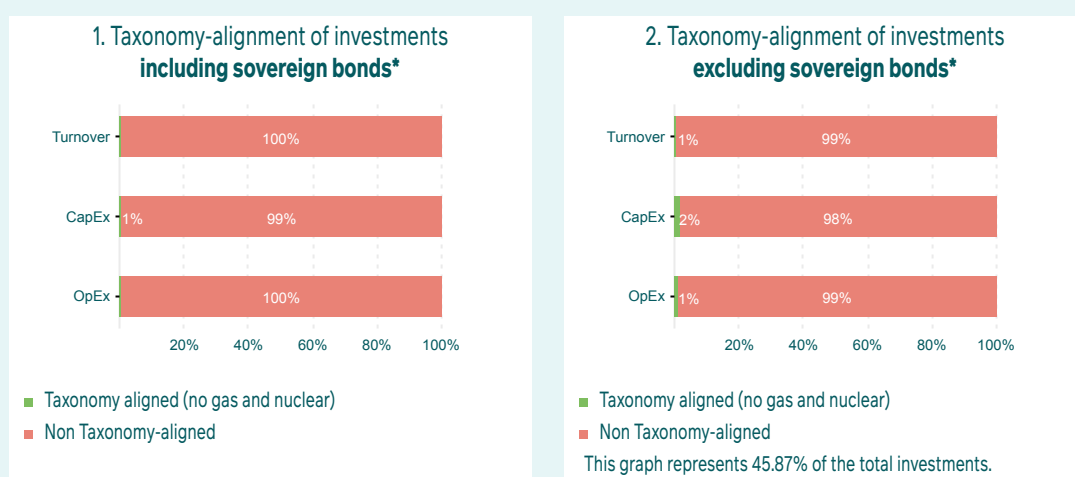
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 0.01% and in enabling activities was 0.04% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.01%
Share of Enabling Activities	0.04%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of the Fund's investments that were aligned with the EU taxonomy was lower than in the previous reference period when it was 0.12%.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 38.02%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 35.62%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, collectives, interest rate and FX derivatives and similar derivatives. No safeguards were applied.

The Fund may hold cash, near cash and money market funds, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Euro Corporate Bond Fund  
**Legal Entity Identifier:** 54930006WRQEB3PFIE51

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

**No**

It made **sustainable investments with an environmental objective:**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 76.71% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	3.13%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	2.77%	100.00%
Percentage (%) of NAV held in excluded investments	-	-	0.00%

- **...and compared to previous periods?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach in this reference period as it did in the previous period.

As it did in the previous reference period, in this reference period it held 0% of ABS below the Investment Manager's threshold for alignment.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 76.71% in sustainable investments in the current reference period, higher than the percentage it held in the previous reference period (72.06%).

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

● **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



**What were the top investments of this financial product?**

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
CIFCE 5X (A)	Other	1.17%	IE
BERKSHIRE HATHAWAY INC	Financial and insurance activities	1.09%	US
CRNCL 2021-14X (A)	Other	1.05%	IE
DH EUROPE FINANCE II SARL	Financial and insurance activities	0.93%	LU
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	0.92%	DE
AVOCA 25X (A)	Other	0.90%	IE
METROPOLITAN LIFE GLOBAL FUNDING I	Financial and insurance activities	0.88%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	0.84%	DE
STANDARD CHARTERED PLC	Financial and insurance activities	0.83%	GB
HSBC HOLDINGS PLC	Financial and insurance activities	0.82%	GB
BANK OF AMERICA CORP	Financial and insurance activities	0.82%	US
SANTANDER CONSUMER FINANCE SA	Financial and insurance activities	0.81%	ES
BP CAPITAL MARKETS PLC	Financial and insurance activities	0.81%	GB
MORGAN STANLEY	Financial and insurance activities	0.80%	US
WAL-MART STORES INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	0.78%	US



### What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

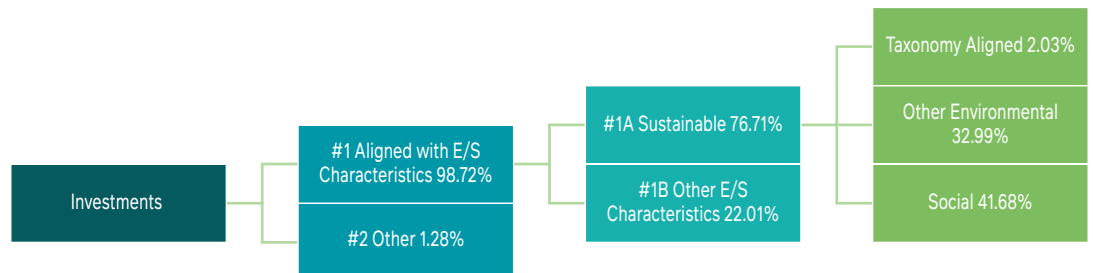
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 98.72% of NAV as at 31 March 2024. This comprised 76.71% of NAV in sustainable investments, and the remaining 22.01% of NAV in investments with other environmental and or social characteristics.

The Fund did not commit to invest in investments aligned to the EU Taxonomy, 2.03% were aligned to the EU Taxonomy, while 32.99% related to investments with other environmental characteristics, and 41.68% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	65.70%
Manufacturing	7.36%
Electricity, gas, steam and air conditioning supply	6.81%
Information and communication	4.74%
Other	4.73%
Real estate activities	4.06%
Public administration and defence; compulsory social security	3.04%
Administrative and support service activities	1.35%
Transportation and storage	0.97%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.79%
Professional, scientific and technical activities	0.23%
Accommodation and food service activities	0.11%
Mining and quarrying	0.06%
Construction	0.03%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 2.03%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 1.61% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0.03%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	1.61%
Climate Change Adaptation	0.03%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

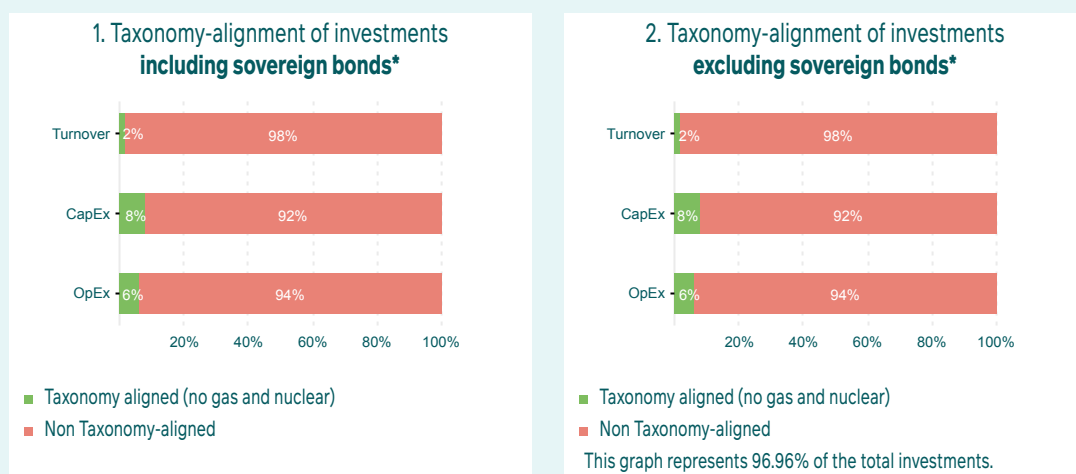
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.12% and to enabling activities was 0.85%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.12%
Share of Enabling Activities	0.85%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was higher than it was in the previous reference period. In the previous reference period, the share was 0.96%, compared to 2.03% in this reference period.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 32.99%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 41.68%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, currency derivatives, derivatives and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) European Inflation Linked Corporate Bond Fund  
**Legal Entity Identifier:** 549300405AQ08G7LRC37

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 74.12% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance)

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	13.34%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	12.90%	100.00%
percentage (%) of NAV held in excluded investments	-	100.00%	0.00%

- **...and compared to previous periods?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach in this reference period as it did in the previous period. As it did in the previous reference period, in this reference period it held 0% of ABS below the Investment Manager's threshold for alignment.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 74.12% in sustainable investments in the current reference period, slightly lower than the percentage it held in the previous reference period (76.34%).

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
GERMANY (GOVERNMENT OF)	Public administration and defence; compulsory social security	27.95%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	12.18%	FR
ITALY (REPUBLIC OF)	Public administration and defence; compulsory social security	3.95%	IT
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	3.31%	FR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.19%	FR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.82%	FR
ITALY (REPUBLIC OF)	Public administration and defence; compulsory social security	1.70%	IT
NATIONWIDE BUILDING SOCIETY	Financial and insurance activities	1.26%	GB
ROYAL BANK OF CANADA	Financial and insurance activities	1.25%	CA
TESCO PLC	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.20%	GB
TPMF 2019-GR4X (A2R)	Other	1.20%	GB
BANK OF NOVA SCOTIA	Financial and insurance activities	1.17%	CA
AA BOND CO LTD	Financial and insurance activities	1.16%	JE
MORTI 2022-1 (A)	Other	0.99%	GB
VOLKSWAGEN INTERNATIONAL FINANCE N	Financial and insurance activities	0.93%	NL



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

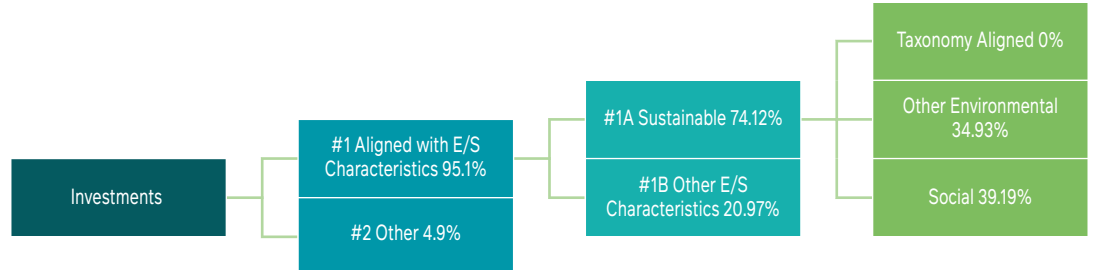
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.1% of NAV as at 31 March 2024. This comprised 74.12% of NAV in sustainable investments, and the remaining 20.97% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy, while 34.93% related to investments with other environmental characteristics, and 39.19% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Public administration and defence; compulsory social security	53.21%
Financial and insurance activities	27.20%
Other	15.27%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.20%
Manufacturing	0.97%
Electricity, gas, steam and air conditioning supply	0.83%
Real estate activities	0.66%
Information and communication	0.63%
Transportation and storage	0.03%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.26% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.



Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.26%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

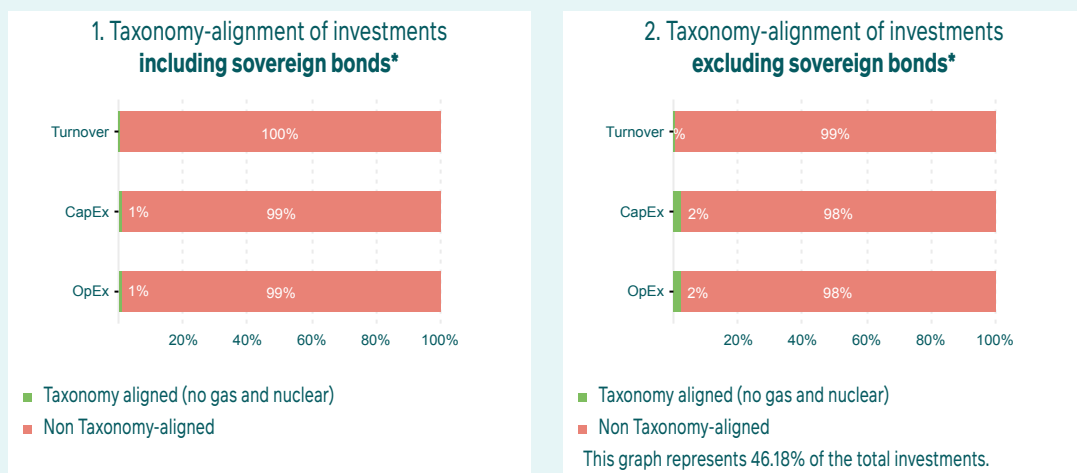
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and to enabling activities was 0.19%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.19%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly lower than it was in the previous reference period. In the previous reference period, the share was 0.07%, compared to 0% in this reference period.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 34.93%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 39.19%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash and money market funds, FX derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for normal liquidity purposes. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) European Strategic Value Fund  
**Legal Entity Identifier:** 549300F39NTGOM8EIX97

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 67.16% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 7.37, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	7.37 ESG Score	96.99%	95.65%
Portfolio weighted average ESG score for the Investment Universe	7.86 ESG Score	100.00%	98.21%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	7.33 ESG Score	94.88%	97.14%
Portfolio weighted average ESG score for the Investment Universe	7.89 ESG Score	96.56%	49.41%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 67.16% was higher than the previous reference period, when it was 62.98%. As it did last in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was slightly higher than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 7.37.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
SHELL PLC	Mining and quarrying	3.72%	NL
TOTALENERGIES	Manufacturing	3.68%	FR
TESCO PLC	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.03%	GB
GLAXOSMITHKLINE	Manufacturing	2.81%	GB
SIEMENS N AG	Information and communication	2.70%	DE
KONINKLIJKE AHOLD DELHAIZE NV	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.65%	NL
ROCHE HOLDING PAR AG	Manufacturing	2.52%	CH
UBS GROUP AG	Financial and insurance activities	2.47%	CH
UCB SA	Manufacturing	2.46%	BE
STELLANTIS NV	Manufacturing	2.40%	GB
ASTRAZENECA PLC	Manufacturing	2.38%	GB
CARREFOUR SA	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.38%	FR
CAIXABANK SA	Financial and insurance activities	2.26%	ES
BANK OF IRELAND GROUP PLC	Financial and insurance activities	2.17%	IE
ERSTE GROUP BANK AG	Financial and insurance activities	2.12%	AT



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

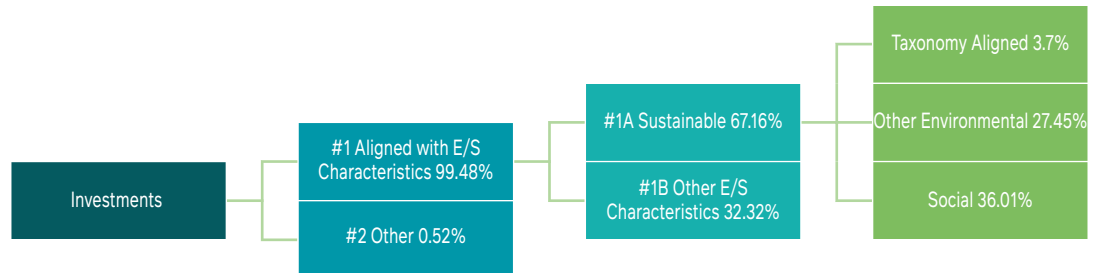
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.48% of NAV as at 31 March 2024. This comprised 67.16% of NAV in sustainable investments, and the remaining 32.32% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 3.7% were aligned to the EU Taxonomy, 27.45% related to investments with other environmental characteristics, and 36.01% related to socially sustainable investments.

0.52% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	42.34%
Financial and insurance activities	18.22%
Wholesale and retail trade; repair of motor vehicles and motorcycles	12.54%
Information and communication	5.87%
Electricity, gas, steam and air conditioning supply	5.45%
Mining and quarrying	5.44%
Other	3.00%
Transportation and storage	2.76%
Administrative and support service activities	1.43%
Real estate activities	1.37%
Human health and social work activities	0.63%
Construction	0.53%
Accommodation and food service activities	0.43%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 3.7%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data. The percentage of contribution from climate change mitigation was 4.79% while climate change adaptation contributed 0.35%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	4.79%
Climate Change Adaptation	0.35%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

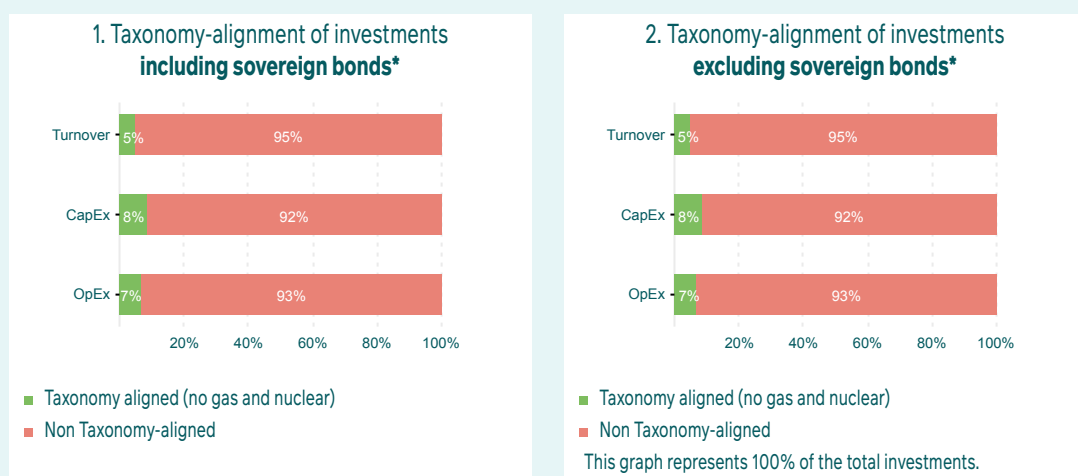
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 1.14% and in enabling activities 1.83%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	1.14%
Share of Enabling Activities	1.83%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 3.7% and was therefore higher than in the previous reference period when it was 0.95%.



 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 27.45%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 36.01%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, money market funds and securitized assets as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) Fixed Maturity Bond Fund 2  
**Legal Entity Identifier:** 25490071LIN2XSPDBQ92

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective:**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 71.9% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance). All investments purchased for the Fund were in compliance with the Fund's exclusionary approach save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

#### ● ...and compared to previous periods?

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives. Of the Fund's sustainable investments, 0.64% were taxonomy aligned: 0.99% were aligned to climate change mitigation and 0% to climate change adaptation.

The share of the Fund's investments with an environmental objective that were not aligned with the EU taxonomy was 30.17%. 41.09% of the Fund's sustainable investments contributed to social objectives.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests. In addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 07/11/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
BNP PARIBAS CARDIF SA	Financial and insurance activities	2.24%	FR
FORD MOTOR CREDIT COMPANY LLC	Financial and insurance activities	2.24%	US
TRATON FINANCE LUXEMBOURG SA	Financial and insurance activities	2.21%	LU
NATWEST MARKETS PLC	Financial and insurance activities	2.11%	GB
LOGICOR FINANCING SARL	Financial and insurance activities	2.07%	IE
BANCA MONTE DEI PASCHI DI SIENA SP	Financial and insurance activities	2.05%	IT
AMERICAN TOWER CORPORATION	Real estate activities	2.03%	US
VONOVIA FINANCE BV	Financial and insurance activities	2.02%	NL
DEUTSCHE BANK AG	Financial and insurance activities	2.00%	DE
BPCE SA	Financial and insurance activities	2.00%	FR
SANTANDER ISSUANCES SAU	Financial and insurance activities	1.98%	ES
DEUTSCHE PFANDBRIEFBANK AG	Financial and insurance activities	1.96%	DE
SOCIETE GENERALE SA	Financial and insurance activities	1.94%	FR
TELECOM ITALIA SPA	Information and communication	1.69%	IT
LEASEPLAN CORPORATION NV	Administrative and support service activities	1.68%	NL



### What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

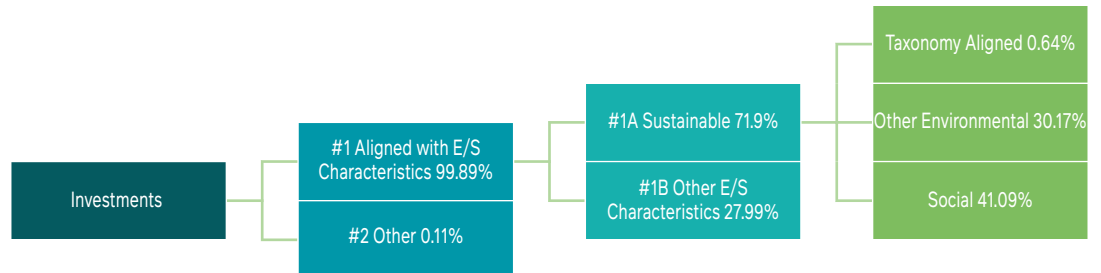
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.89% of NAV as at 31 March 2024. This comprised 71.90% of NAV in sustainable investments, and the remaining 27.99% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.64% were aligned to the EU Taxonomy. 30.17% related to investments with other environmental characteristics, and 41.09% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

#### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Financial and insurance activities	68.43%
Real estate activities	10.05%
Information and communication	5.60%
Manufacturing	5.52%
Administrative and support service activities	3.75%
Transportation and storage	2.46%
Human health and social work activities	1.11%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.97%
Public administration and defence; compulsory social security	0.90%
Professional, scientific and technical activities	0.56%
Construction	0.49%
Other	0.15%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. Of the Fund's sustainable investments with an environmental objective, 0.64% were taxonomy aligned: 0.99% were aligned to climate change mitigation and 0% to climate change adaptation.

This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.99%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

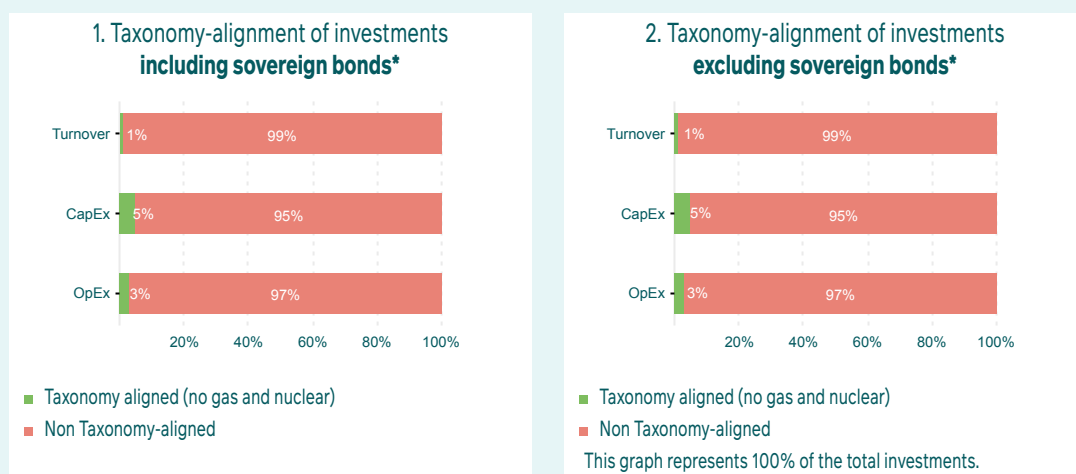
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund’s investments made in transitional activities was 0% and in enabling activities was 0.20%. This compares to a minimum percentage commitment of 0% stated in the Fund’s precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.20%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product’s first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of the Fund's investments with an environmental objective that were not aligned with the EU taxonomy was 30.17%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of the Fund's socially sustainable investments was 41.09%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Fund held cash, near cash and securitised assets as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied where such instruments are held as "Other" investments.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics. It is also possible that the Fund may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Fund will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A



**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) Fixed Maturity Bond Fund 3  
**Legal Entity Identifier:** 254900L6XPV7TWBQ2J18

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 69.47% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance). All investments purchased for the Fund were in compliance with the Fund's exclusionary approach save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives. Of the Fund's sustainable investments with an environmental objective, 1.13% were taxonomy aligned: 0.97% were aligned to climate change mitigation and 0.16% to climate change adaptation.

The share of the Fund's investments with an environmental objective that were not aligned with the EU taxonomy was 37.45%. 30.89% of the Fund's sustainable investments contributed to social objectives.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests. In addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 27/09/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
UK CONV GILT	Public administration and defence; compulsory social security	3.03%	GB
TREASURY NOTE	Public administration and defence; compulsory social security	2.98%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.96%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.66%	DE
ITALY (REPUBLIC OF)	Public administration and defence; compulsory social security	0.65%	IT
UNICREDIT SPA	Financial and insurance activities	0.51%	IT
INTESA SANPAOLO SPA	Financial and insurance activities	0.51%	IT
NATIONWIDE BUILDING SOCIETY FX-FRN	Financial and insurance activities	0.49%	GB
DEUTSCHE BANK AG	Financial and insurance activities	0.46%	DE
LA BANQUE POSTALE	Financial and insurance activities	0.46%	FR
CAIXABANK SA	Financial and insurance activities	0.44%	ES
NATIONALE NEDERLANDEN BANK N V	Financial and insurance activities	0.42%	NL
RAIFFEISEN BANK INTERNATIONAL AG	Financial and insurance activities	0.42%	AT
CNP ASSURANCES	Financial and insurance activities	0.42%	FR
EQUITABLE FINANCIAL LIFE GLOBAL FU	Financial and insurance activities	0.42%	US



### What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

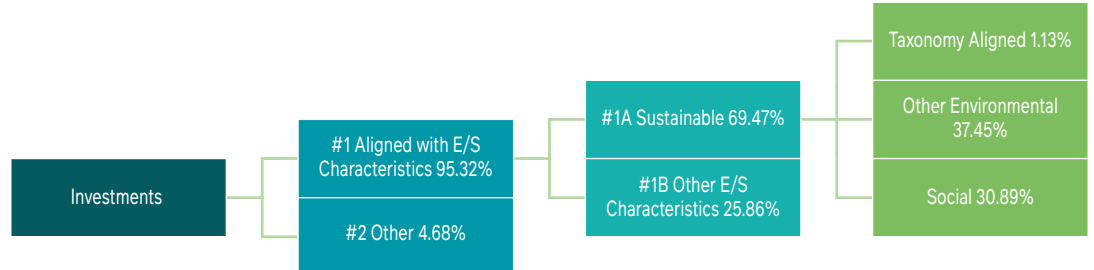
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.32% of NAV as at 31 March 2024. This comprised 69.47% of NAV in sustainable investments, and the remaining 25.86% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 1.13% were aligned to the EU Taxonomy. 37.45% related to investments with other environmental characteristics, and 30.89% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

#### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Financial and insurance activities	50.08%
Public administration and defence; compulsory social security	11.28%
Manufacturing	10.41%
Information and communication	5.70%
Electricity, gas, steam and air conditioning supply	4.58%
Real estate activities	4.22%
Transportation and storage	3.51%
Other	2.34%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.54%
Administrative and support service activities	1.42%
Professional, scientific and technical activities	1.41%
Construction	1.08%
Human health and social work activities	0.81%
Water supply; sewerage, waste management and remediation activities	0.73%
Accommodation and food service activities	0.41%
Mining and quarrying	0.41%
Other service activities	0.07%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. Of the Fund's sustainable investments with an environmental objective, 1.13% were taxonomy aligned: 0.97% were aligned to climate change mitigation and 0.16% to climate change adaptation.

This percentage is determined by taking the quarter-end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.97%
Climate Change Adaptation	0.16%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

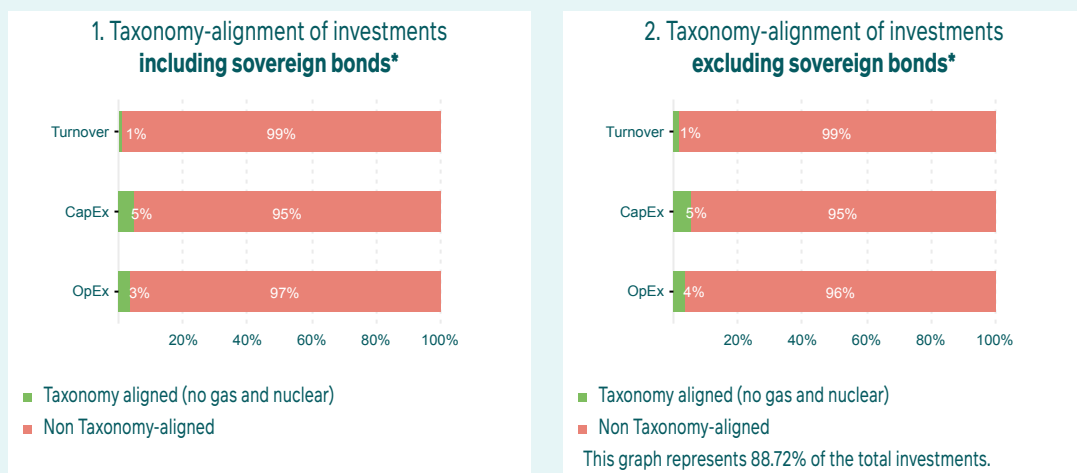
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund’s investments made in transitional activities was 0.12% and in enabling activities was 0.37%. This compares to a minimum percentage commitment of 0% stated in the Fund’s precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.12%
Share of Enabling Activities	0.37%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product’s first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of the Fund's investments with an environmental objective that were not aligned with the EU taxonomy was 37.45%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of the Fund's socially sustainable investments was 30.89%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

The Fund held cash, near cash, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied where such instruments are held as "Other" investments.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics. It is also possible that the Fund may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Fund will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



**How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **How did the reference benchmark differ from a broad market index?**

N/A

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

● **How did this financial product perform compared with the reference benchmark?**

N/A

● **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) Global Artificial Intelligence Fund  
**Legal Entity Identifier:** 2549009CK115415K4617

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 83.06% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below): The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating. In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics. The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance). The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the fund ESG Score was 7.23, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714). Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
As at -			
Portfolio weighted average ESG score for the fund	7.23 ESG Score	97.80%	97.66%

● **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 83.06% in sustainable investments in the current reference period.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

● **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions. The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

● **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.



The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 09/11/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
NVIDIA CORP	Manufacturing	3.95%	US
MICROSOFT CORP	Information and communication	3.57%	US
META PLATFORMS INC CLASS A	Information and communication	3.33%	US
APPLE INC	Manufacturing	3.06%	US
MOTOROLA SOLUTIONS INC	Manufacturing	2.66%	US
ALPHABET INC CLASS A	Information and communication	2.66%	US
SERVICENOW INC	Information and communication	2.51%	US
MICRON TECHNOLOGY INC	Manufacturing	2.38%	US
TESLA INC	Manufacturing	2.16%	US
JPMORGAN CHASE	Financial and insurance activities	2.13%	US
VISA INC CLASS A	Financial and insurance activities	2.12%	US
TOKYO ELECTRON LTD	Manufacturing	2.03%	JP
CISCO SYSTEMS INC	Manufacturing	2.03%	US
SK HYNIX INC	Manufacturing	2.02%	KR
WALMART INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.88%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 0% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 96.78% of NAV as at 31 March 2024. This comprised 83.06% of NAV in sustainable investments, and the remaining 54.10% of NAV in investments with other environmental and or social characteristics.

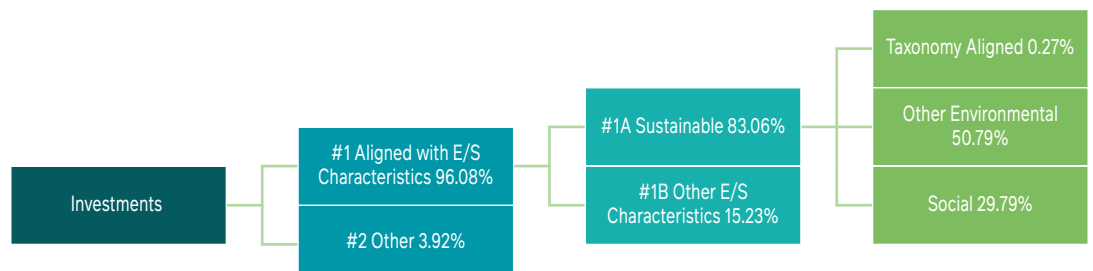
Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.27% was aligned to the EU Taxonomy. 13.72% related to investments with other environmental characteristics, and 28.69% related to socially sustainable investments.

3.22% of the fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.27%.

This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it.

The percentage of contribution from climate change mitigation was 0.29% while climate change adaptation contributed 0%.

The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.29%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

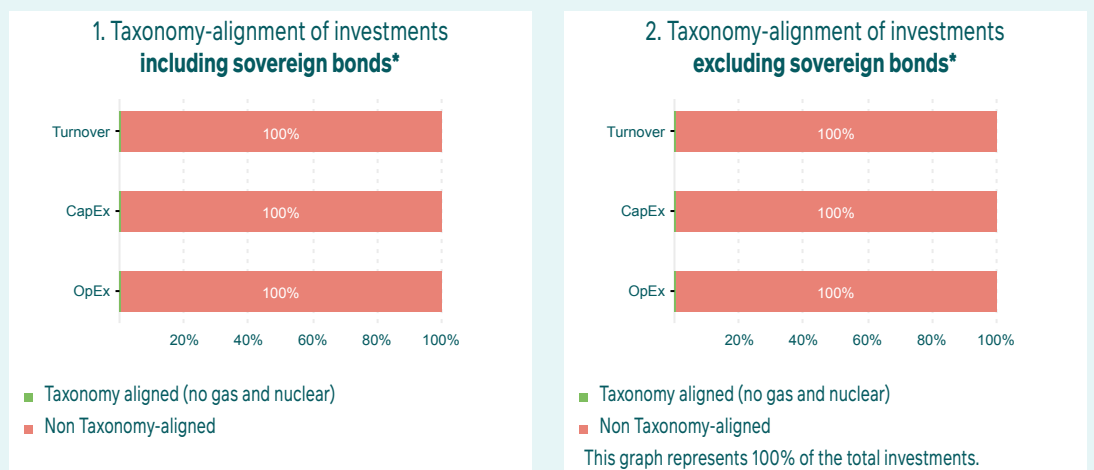
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.29%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.29%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product's first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 50.79%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



- **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 29.79%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Global Convertibles Fund  
**Legal Entity Identifier:** 549300DZSWWWBBRWLT54

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 63.1% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period. The Fund committed to maintain a weighted average ESG

by the financial product are attained.

rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 6.29, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714). Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	6.29 ESG Score	98.01%	92.22%
Portfolio weighted average ESG score for the Investment Universe	6.12 ESG Score	100.00%	93.49%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	6.26 ESG Score	96.80%	92.53%
Portfolio weighted average ESG score for the Investment Universe	5.91 ESG Score	98.27%	46.28%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reporting period at 63.10% was higher than the previous reporting period, when it was 61.59%. As in the previous reporting period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was slightly higher than the previous reporting period, as can be seen in the table above. As it did in the previous reporting period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 6.29.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
PRYSMIAN SPA	Manufacturing	3.49%	IT
BOX INC	Information and communication	2.97%	US
AKAMAI TECHNOLOGIES INC	Information and communication	2.90%	US
JPMORGAN CHASE FINANCIAL COMPANY L	Financial and insurance activities	2.66%	US
CELLNEX TELECOM SA	Information and communication	2.50%	ES
JAZZ INVESTMENTS I LTD	Financial and insurance activities	2.50%	BM
BNP PARIBAS SA	Financial and insurance activities	2.46%	FR
SOUTHWEST AIRLINES CO	Transportation and storage	2.40%	US
MEITUAN	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.37%	CN
SEAGATE TECHNOLOGY HDD HOLDINGS	Manufacturing	2.18%	KY
STMICROELECTRONICS NV	Manufacturing	2.01%	NL
HUAZHU GROUP LTD	Accommodation and food service activities	1.91%	KY
RAG-STIFTUNG	Financial and insurance activities	1.87%	DE
MACOM TECHNOLOGY SOLUTIONS HOLDING	Manufacturing	1.86%	US
UBER TECHNOLOGIES INC	Information and communication	1.72%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

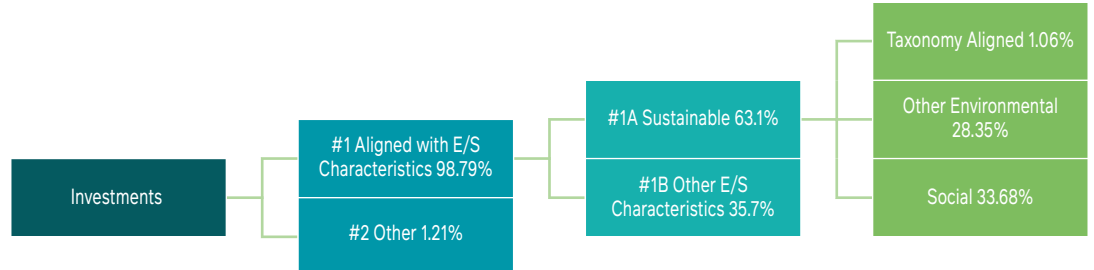
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 98.79% of NAV as at 31 March 2024. This comprised 63.10% of NAV in sustainable investments, and the remaining 35.70% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 1.06% were aligned to the EU Taxonomy, 28.35% related to investments with other environmental characteristics, and 33.68% related to socially sustainable investments.

1.21% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	28.48%
Financial and insurance activities	19.68%
Information and communication	19.50%
Wholesale and retail trade; repair of motor vehicles and motorcycles	8.94%
Transportation and storage	5.73%
Professional, scientific and technical activities	3.03%
Construction	2.42%
Accommodation and food service activities	2.18%
Real estate activities	2.09%
Arts, entertainment and recreation	1.97%
Other	1.83%
Mining and quarrying	1.78%
Administrative and support service activities	0.90%
Electricity, gas, steam and air conditioning supply	0.76%
Education	0.71%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 1.06%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution from climate change mitigation was 0.97% while climate change adaptation contributed 0.10%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.97%
Climate Change Adaptation	0.10%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

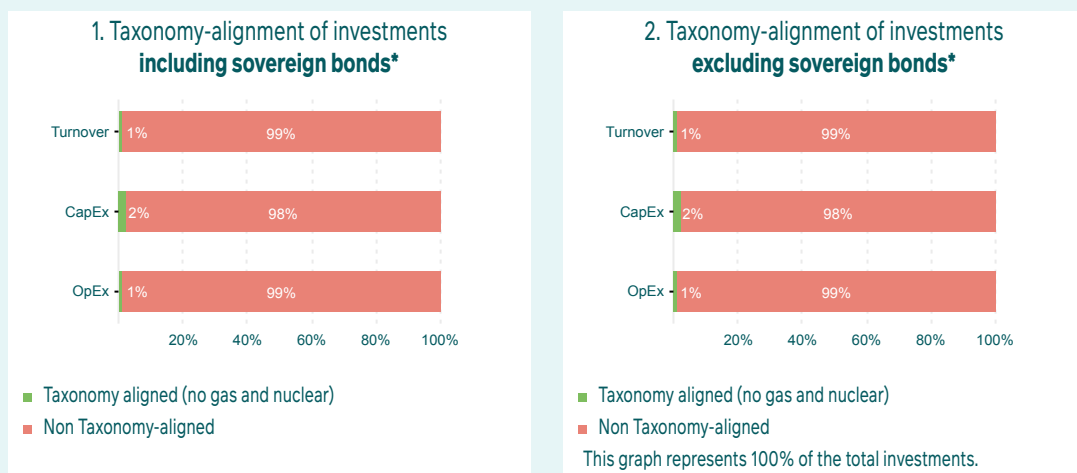
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.00% and in enabling activities 0.89%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.89%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reporting period was 1.06% and was therefore higher than in the previous reporting period when it was 0.47%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 28.35%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 33.68%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, money market funds and derivatives as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Global Dividend Fund  
**Legal Entity Identifier:** 549300TRK90WIUZI3612

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 68.76% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 7.55, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	7.55 ESG Score	98.22%	100.00%
Portfolio weighted average ESG score for the Investment Universe	6.78 ESG Score	99.98%	98.89%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	7.55 ESG Score	96.47%	99.85%
Portfolio weighted average ESG score for the Investment Universe	6.79 ESG Score	98.36%	49.67%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 68.76% was lower than the previous reference period, when it was 82.74 %. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score was the same as the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 7.55.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
METHANEX CORP	Manufacturing	7.37%	CA
BROADCOM INC	Manufacturing	6.64%	US
KEYERA CORP	Wholesale and retail trade; repair of motor vehicles and motorcycles	5.86%	CA
MICROSOFT CORP	Information and communication	5.20%	US
GIBSON ENERGY INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	4.28%	CA
TAKEDA PHARMACEUTICAL LTD	Manufacturing	4.01%	JP
BRISTOL MYERS SQUIBB	Manufacturing	3.31%	US
KONE CLASS B	Manufacturing	3.23%	FI
ABRDN PLC	Financial and insurance activities	3.17%	GB
AMCOR CDI PLC	Manufacturing	3.12%	AU
SIEMENS N AG	Information and communication	3.08%	DE
ROCHE HOLDING PAR AG	Manufacturing	3.04%	CH
ANALOG DEVICES INC	Manufacturing	2.97%	US
LUNDIN MINING CORP	Mining and quarrying	2.80%	CA
MEDTRONIC PLC	Manufacturing	2.75%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

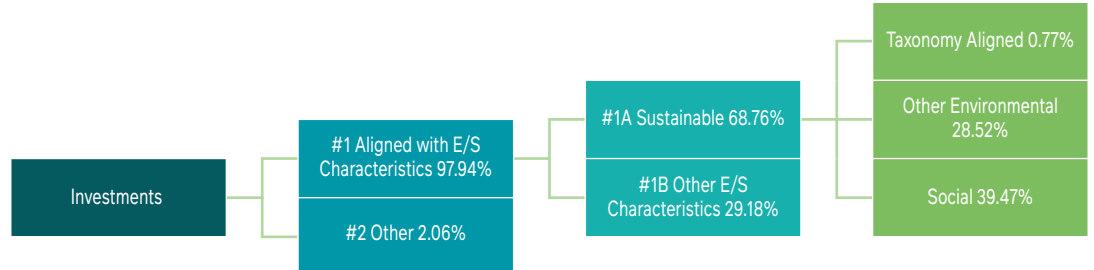
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.94% of NAV as at 31 March 2024. This comprised 68.76% of NAV in sustainable investments, and the remaining 29.18% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.77% were aligned to the EU Taxonomy, 28.52% related to investments with other environmental characteristics, and 39.47% related to socially sustainable investments.

2.06% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	57.26%
Financial and insurance activities	15.12%
Wholesale and retail trade; repair of motor vehicles and motorcycles	13.35%
Information and communication	8.79%
Mining and quarrying	2.80%
Other	1.78%
Electricity, gas, steam and air conditioning supply	0.91%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.77%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 0.79% while climate change adaptation contributed 0.0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.79%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

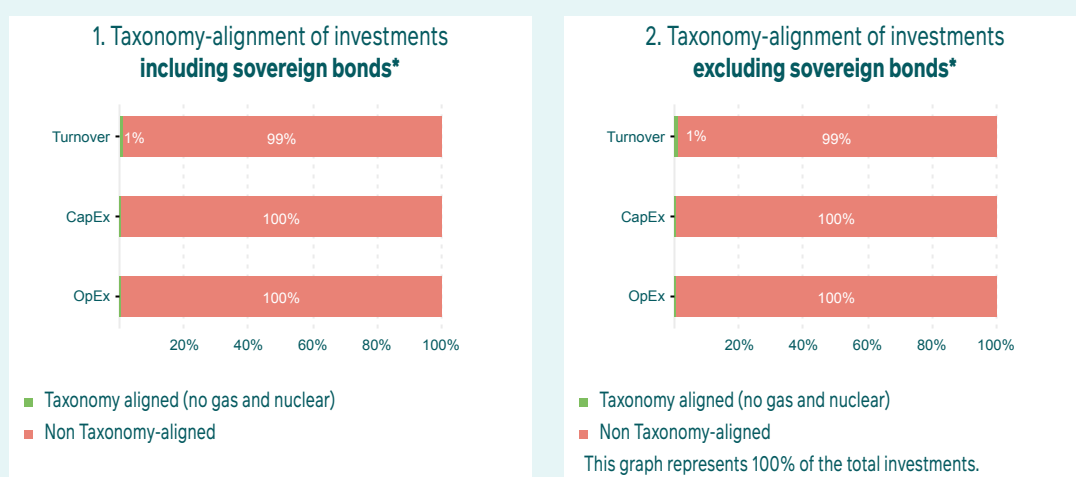
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.79%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.79%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 0.77% and was therefore higher than in the previous reference period when it was 0.73%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 28.52%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 39.47%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### How did the reference benchmark differ from a broad market index?

N/A

#### How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Global Emerging Markets Fund  
**Legal Entity Identifier:** 54930005JJ2DZTKZDJ63

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 54.1% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

Both of these tests were met as the Fund's ESG Score was 6.38 which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	6.38 ESG Score	97.28%	91.15%
Portfolio weighted average ESG score for the Investment Universe	5.61 ESG Score	100.00%	98.84%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	5.95 ESG Score	98.04%	91.74%
Portfolio weighted average ESG score for the Investment Universe	5.47 ESG Score	98.74%	49.69%

- **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reporting period at 54.10% was lower than the previous reporting period, when it was 64.53%. As it did in the previous reporting period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was higher than in the last reporting period, as can be seen in the table above. As it did in the previous reporting period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 6.38.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
SAMSUNG ELECTRONICS LTD	Manufacturing	6.23%	KR
TAIWAN SEMICONDUCTOR MANUFACTURING	Manufacturing	4.21%	TW
ALIBABA GROUP HOLDING ADR REPRESENTATIVE	Wholesale and retail trade; repair of motor vehicles and motorcycles	4.19%	CN
FIBRA UNO ADMINISTRACION REIT SA	Financial and insurance activities	2.62%	MX
SAMSUNG FIRE & MARINE INSURANCE LTD	Financial and insurance activities	2.45%	KR
COMPANHIA CONCESSIONES RODOVIARIAS S.A.	Transportation and storage	2.26%	BR
HANA FINANCIAL GROUP INC	Financial and insurance activities	2.22%	KR
NASPERS LIMITED N LTD	Information and communication	2.20%	ZA
FAR EAST HORIZON LTD	Financial and insurance activities	2.09%	HK
BAIDU ADS REPTG INC CLASS A	Other	2.05%	CN
CHINA CONSTRUCTION BANK CORP H	Financial and insurance activities	2.04%	CN
PING AN INSURANCE (GROUP) CO OF CH	Financial and insurance activities	2.03%	CN
HDFC BANK LTD	Financial and insurance activities	2.00%	IN
SHINHAN FINANCIAL GROUP LTD	Financial and insurance activities	1.96%	KR
TECK RESOURCES SUBORDINATE VOTING	Mining and quarrying	1.83%	CA



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

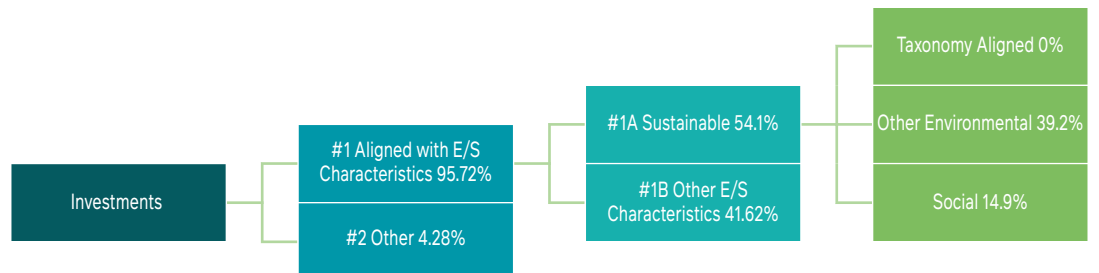
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.72% of NAV as at 31 March 2024. This comprised 54.10% of NAV in sustainable investments, and the remaining 41.62% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy. 39.20% related to investments with other environmental characteristics, and 14.90% related to socially sustainable investments.

4.28% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	31.39%
Manufacturing	31.18%
Wholesale and retail trade; repair of motor vehicles and motorcycles	9.90%
Mining and quarrying	6.30%
Information and communication	5.34%
Electricity, gas, steam and air conditioning supply	3.65%
Other	2.72%
Transportation and storage	2.40%
Administrative and support service activities	2.21%
Construction	2.09%
Real estate activities	1.86%
Professional, scientific and technical activities	0.91%
Education	0.06%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 0% while climate change adaptation contributed 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

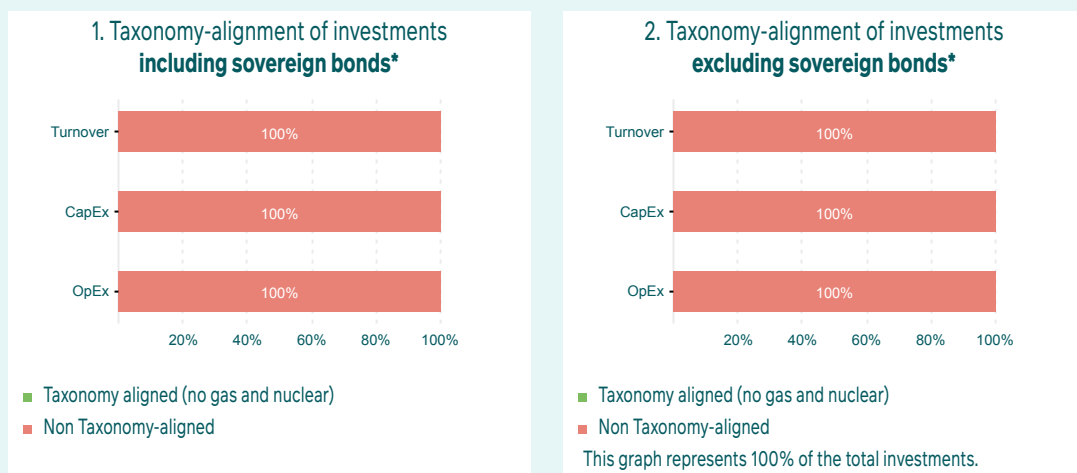
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reporting period was 0% and was therefore the same as in the previous reporting period when it was also 0%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 39.20%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 14.90%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

No minimum environmental or social safeguards are applied to FX derivatives. The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Global Listed Infrastructure Fund  
**Legal Entity Identifier:** 222100K85SU14IF7PW30

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 57.63% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and it made investments that are SDG-aligned (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes ("Exclusionary Approach").

The Fund considered the UN Sustainable Development Goals (SDGs) as part of its investment process and the sustainability themes considered by the Investment Manager are based on the SDGs as a relevant framework to measure contribution to sustainability factors ("SDG-alignment"). 79.28% of the Fund's investments by value were SDG-aligned. 99.02% of the Fund's investments by value were in investments considered by the Investment Manager to be related to sustainability themes.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and SDG-alignment were met at all times during the reporting period.

by the financial product are attained.

Please see the below table for an overview of the Funds' performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of investments by value that is SDG-aligned	79.28 %	100.00%	99.79%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of investments by value that is SDG-aligned	81.11 %	100.00%	99.72%

- **...and compared to previous periods?**

The percentage of investments by value that was SDG-aligned in this reference period was slightly lower than in the last reference period (79.28% versus 81.11%).

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 57.63% in sustainable investments in the current reference period, which was higher than in the last period when it held 51.43%.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund are then subject to ongoing monitoring and a quarterly review process.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund. Information on how the principal adverse impacts were taken into account will be provided in the Fund's annual report.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
CROWN CASTLE INC	Real estate activities	4.03%	US
SEGRO REIT PLC	Real estate activities	3.87%	GB
ALEXANDRIA REAL ESTATE EQUITIES RE	Real estate activities	3.85%	US
TC ENERGY CORP	Transportation and storage	3.47%	CA
AES CORP	Electricity, gas, steam and air conditioning supply	3.39%	US
GIBSON ENERGY INC	Transportation and storage	3.07%	CA
FRANCO NEVADA CORP	Financial and insurance activities	3.03%	CA
PRAIRIESKY ROYALTY LTD	Mining and quarrying	3.02%	CA
AMERICAN TOWER REIT CORP	Real estate activities	3.01%	US
EQUINIX REIT INC	Information and communication	3.00%	US
TRANSURBAN GROUP STAPLED UNITS	Transportation and storage	2.99%	AU
ENEL	Electricity, gas, steam and air conditioning supply	2.98%	IT
EDISON INTERNATIONAL	Electricity, gas, steam and air conditioning supply	2.61%	US
NEXTERA ENERGY PARTNERS UNITS	Electricity, gas, steam and air conditioning supply	2.57%	US
KEYERA CORP	Transportation and storage	2.50%	CA



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 51% of the Fund to be in Sustainable Investments.

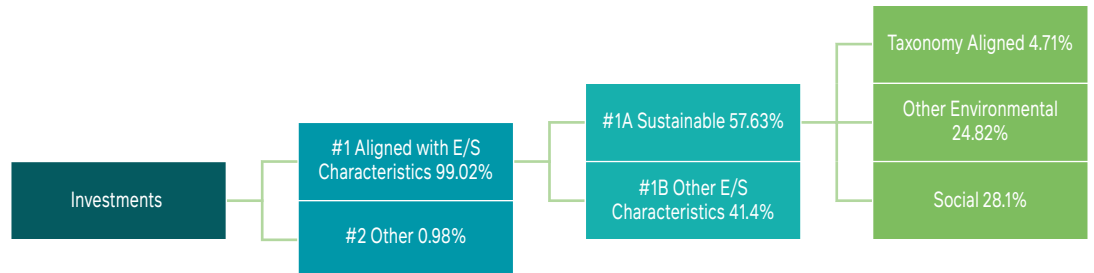
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.02% of NAV as at 31 March 2024. This comprised 57.63% of NAV in sustainable investments, and the remaining 41.40% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 4.71% were aligned to the EU Taxonomy. 24.82% related to investments with other environmental characteristics, and 28.10% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Electricity, gas, steam and air conditioning supply	28.96%
Real estate activities	17.02%
Transportation and storage	15.01%
Financial and insurance activities	14.85%
Information and communication	5.89%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.62%
Mining and quarrying	5.14%
Construction	4.11%
Water supply; sewerage, waste management and remediation activities	2.37%
Other	1.02%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 4.71%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution from climate change mitigation was 9.14% while climate change adaptation contributed 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	9.14%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

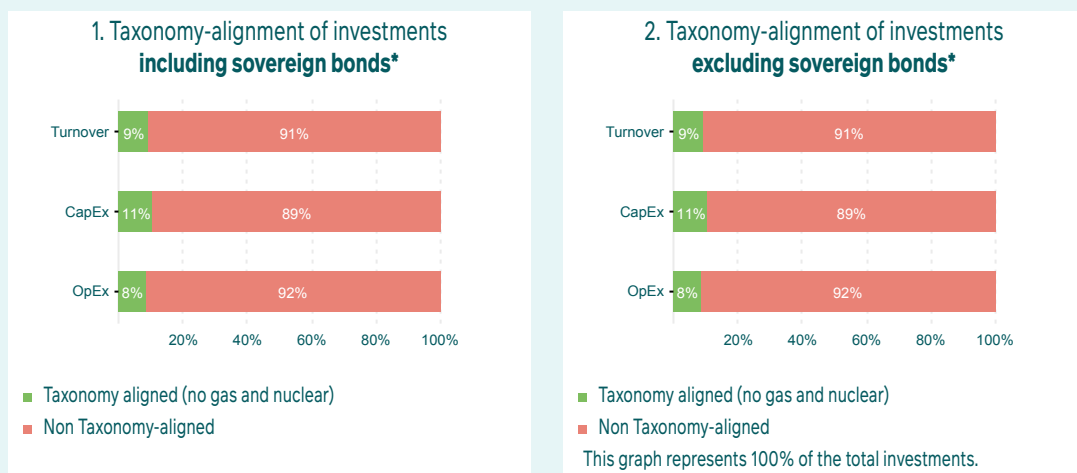
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.01% and in enabling activities 3.76%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.01%
Share of Enabling Activities	3.76%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned with the EU taxonomy in this reference period (4.71%) was lower than in the previous period when it was 5.84%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 24.82%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of socially sustainable investments was 28.10%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash and money market funds, infrastructure funds and securitised assets as “Other” investments during the reporting period as part of normal liquidity management. No minimum safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and it made investments that are SDG-aligned. Its compliance with the same is reported in the sustainability indicators above.



**How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **How did the reference benchmark differ from a broad market index?**

N/A

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

● **How did this financial product perform compared with the reference benchmark?**

N/A

● **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Global Macro Bond Fund  
**Legal Entity Identifier:** 549300OHGMRPCONPD471

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 56.75% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met nearly all of the time during the reporting period.

There was one breach caused by an update to our internal good governance test around restricted countries on the basis of ultimate country of incorporation and domicile. The Fund held a bond from the Government of the Bahamas. Trades were carried out to return the fund to compliance.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	2.67%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	2.88%	100.00%

- **...and compared to previous periods?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach in this reference period as it did in the previous period. Compared to the previous period, in this reference period, there was one instance where the Fund did not meet the test for compliance with the Exclusionary Approach.

As it did in the previous reference period, in this reference period it held 0% of ABS below the Investment Manager's threshold for alignment.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 56.75% in sustainable investments in the current reference period, slightly higher than the percentage it held in the previous reference period (55.85%).

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which were taken into account by the

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	6.00%	US
TREASURY BOND	Public administration and defence; compulsory social security	3.98%	US
TREASURY NOTE	Public administration and defence; compulsory social security	3.60%	US
TREASURY NOTE	Public administration and defence; compulsory social security	2.96%	US
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	2.61%	US
TREASURY BOND	Public administration and defence; compulsory social security	2.44%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.14%	DE
ITALY (REPUBLIC OF)	Public administration and defence; compulsory social security	2.05%	IT
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	1.96%	GB
NEW ZEALAND (GOVERNMENT OF)	Public administration and defence; compulsory social security	1.65%	NZ
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.64%	DE
AUSTRALIA (COMMONWEALTH OF)	Public administration and defence; compulsory social security	1.58%	AU
GERMANY (GOVERNMENT OF)	Public administration and defence; compulsory social security	1.55%	DE
INDONESIA (REPUBLIC OF)	Public administration and defence; compulsory social security	1.53%	ID
SPAIN (KINGDOM OF)	Public administration and defence; compulsory social security	1.39%	ES



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.43% of NAV as at 31 March 2024. This comprised 56.75% of NAV in sustainable investments, and the remaining 38.68% of NAV in investments with other environmental and or social characteristics.

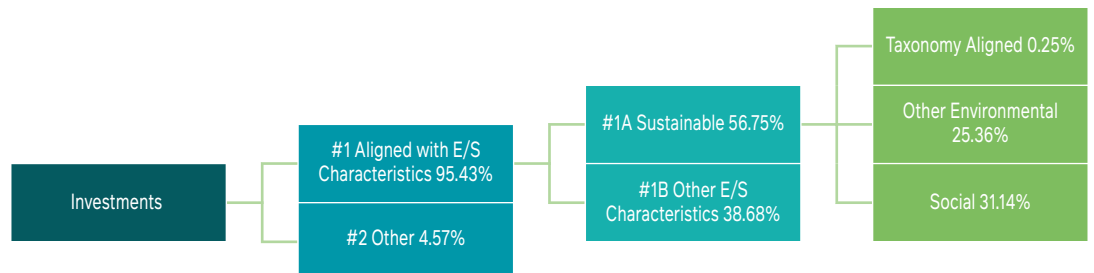
Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.25% were aligned to the EU Taxonomy, while 25.36% related to investments with other environmental characteristics, and 31.14% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Public administration and defence; compulsory social security	69.87%
Financial and insurance activities	18.58%
Other	4.15%
Information and communication	2.47%
Manufacturing	2.08%
Electricity, gas, steam and air conditioning supply	1.62%
Activities of extraterritorial organisations and bodies	0.58%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.35%
Water supply; sewerage, waste management and remediation activities	0.23%
Administrative and support service activities	0.06%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0.25% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.37% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.37%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

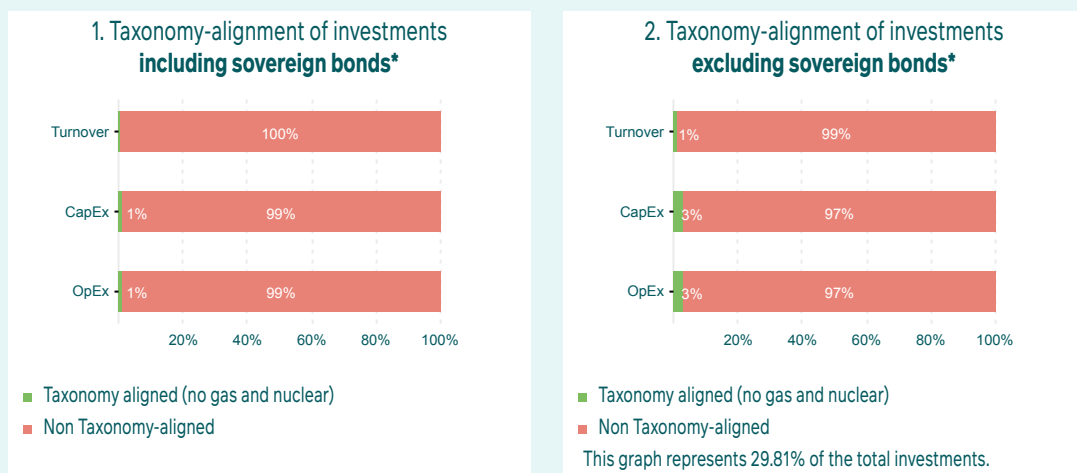
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.05% and to enabling activities was 0.24%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.05%
Share of Enabling Activities	0.24%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly higher than it was in the previous reference period. In the previous reference period, the share was 0.2%, compared to 0.25% in this reference period.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 25.36%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 31.14%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, FX derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Global Sustain Paris Aligned Fund  
**Legal Entity Identifier:** 549300IT00LV3HDN7Z63

## Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective:** 96.68%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that contribute towards the Paris Agreement climate change goal, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 1.49%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

In the reporting period, the Fund's normalised Weighted Average Carbon Intensity (WACI) was 54.52 t CO<sub>2</sub>e. The WACI is a measure of the carbon intensity of all underlying holdings, weighted to their allocations in the Fund.

Notably, investee companies providing climate solutions helped to avoid 139924970 tonnes of CO<sub>2</sub> equivalents, according to the latest available company disclosures. eBay and SolarEdge are two examples of investee companies operating in the climate solutions area. eBay contributes to the circular economy by enabling the buying and selling of used and refurbished goods while SolarEdge supplies solar inverters, facilitating the clean energy transition.

Furthermore, 52.29% of the fund's Net Asset Value (NAV) was held in companies with ratified science-based targets, while a further 22.32% of NAV was held in companies that have committed to science-based targets. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	28.13%	98.17%	73.61%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	41.37%	98.17%	73.61%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	83.85%	98.17%	98.08%
Tonnes of CO <sub>2</sub> emissions avoided by positive impact investments	197050000 tCO <sub>2</sub> e	98.17%	12.07%
Total renewable energy produced (megawatt hours)	-	98.17%	0%
Weighted average carbon intensity (WACI) for the fund	57.0 tCO <sub>2</sub> e	96.24%	100%
Weighted average carbon intensity (WACI) for the Investment Universe	128.6 tCO <sub>2</sub> e	-	-

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	22.32%	100%	83.30%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	64.12%	100%	96.20%
Avoided carbon emissions-for companies that provide direct solutions to the climate challenge via their products and services	139924970 tCO <sub>2</sub> e	100%	11.26%
Total renewable energy produced (megawatt hours)	-	100%	0%
Weighted average carbon intensity (WACI) for the fund	54.52 tCO <sub>2</sub> e	96.20%	100%
Weighted average carbon intensity (WACI) for the Investment Universe	117.55 tCO <sub>2</sub> e	99.98%	98.92%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	52.29%	100%	83.30%

● **...and compared to previous periods?**

In the reference period, the Fund's normalised Weighted Average Carbon Intensity (WACI) was 54.52 t CO<sub>2</sub>e. This is a decrease on the previous reporting period's figure which was 59.3 t CO<sub>2</sub>e.

During the reference period, investee companies providing climate solutions helped to avoid 139924970 tonnes of CO<sub>2</sub> equivalents. This is a decrease on the previous reporting period's figure of over 197 million tonnes.

In the prior reporting period, 41.37% of NAV was held in companies that have ratified science-based targets and 28.13% in companies that have committed to science-based targets. In the reference period, the percentage of NAV held in companies with ratified science-based targets increased to 52.29% while the percentage of NAV held in companies that have committed to science-based targets fell to 22.32%.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
MICROSOFT CORP	Information and communication	7.65%	US
UNITEDHEALTH GROUP INC	Financial and insurance activities	5.53%	US
ALPHABET INC CLASS A	Information and communication	4.93%	US
SCHNEIDER ELECTRIC	Manufacturing	4.54%	FR
MANHATTAN ASSOCIATES INC	Manufacturing	4.51%	US
NOVO NORDISK CLASS B	Information and communication	4.33%	DK
ADOBE INC	Information and communication	3.76%	US
VISA INC CLASS A	Financial and insurance activities	3.67%	US
WH SMITH PLC	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.49%	GB
TOKIO MARINE HOLDINGS INC	Financial and insurance activities	3.36%	JP
UNILEVER PLC	Manufacturing	3.34%	GB
BECTON DICKINSON	Manufacturing	3.20%	US
AMERICAN EXPRESS	Financial and insurance activities	3.11%	US
LINDE PLC	Manufacturing	2.86%	GB
JOHNSON CONTROLS INTERNATIONAL PLC	Manufacturing	2.81%	IE



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 80% to be invested in environmental sustainable investments, in pursuit of the environmental sustainable investment objective.

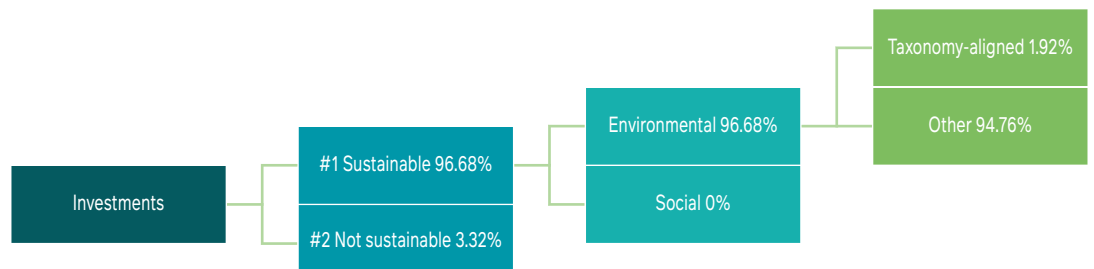
As of 31 March 2024, 96.68% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 80%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 1.92% of the sustainable investments were aligned to the EU Taxonomy. 96.68% related to investments with environmental objectives.

3.32% of the Fund was composed of "not sustainable" investments (cash and money market funds).

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	33.44%
Financial and insurance activities	26.36%
Information and communication	25.66%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.79%
Other	3.80%
Transportation and storage	2.59%
Administrative and support service activities	1.27%
Electricity, gas, steam and air conditioning supply	0.87%
Other service activities	0.22%



- **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 1.92% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 1.49%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	1.49%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

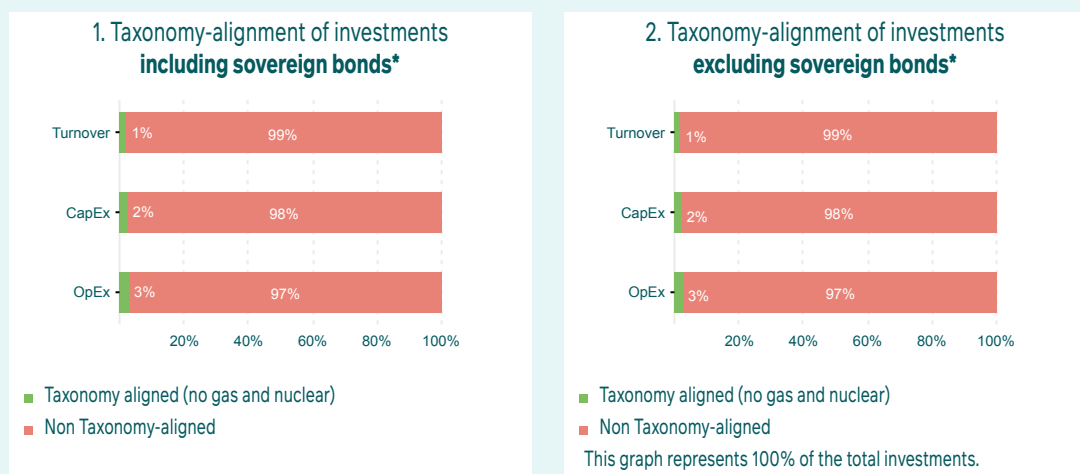
- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% while the share of the Fund's investments made in enabling activities was 0.80% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.80%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 1.92% in taxonomy-aligned investments. This is an increase on the previous reporting period's figure which was 0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 94.76%. This compares to a minimum percentage commitment of 80% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash and money market funds as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The Fund has invested in companies that contribute towards the Paris Agreement climate change goal. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their climate and sustainability standards, to support the fund's sustainable investment objective.

For example, we encouraged US-listed online marketplace eBay to more explicitly link remuneration KPIs to sustainability targets. In response to our suggestion that it set a net zero target, the company confirmed that it would be doing so and that it planned to seek SBTi validation for this.

We also engaged with companies on social topics. We met Danish pharmaceutical company Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We believe Novo Nordisk is doing all it can to prevent abuse of Wegovy.

We discussed two key social issues with Johnson Controls International. The first pertained to a cyberattack carried out on the company last year. In light of this, we wanted to ensure that the business had implemented the requisite systems, controls and procedures to limit damage in case of any future attack. Secondly, we wanted to verify that the company was no longer exposed to perfluoroalkyl and polyfluoroalkyl substances (PFAS), often termed “forever chemicals”.

The company asserted that the cyberattack prompted it to review and strengthen its risk mitigation strategy. It has also hired a new chief information officer and chief technology officer, further bolstering cybersecurity at the business.

Unfortunately, Johnson Controls is currently the subject of a class action connected to PFAS contamination. The action relates to a product whose chemical composition had been mandated by the US government. The company confirmed that is now selling a compliant version of the product and that nothing else that it sells contains PFAS.



### **How did this financial product perform compared to the reference sustainable benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### **● How did the reference benchmark differ from a broad market index?**

N/A

#### **● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

#### **● How did this financial product perform compared with the reference benchmark?**

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Global Themes Fund  
**Legal Entity Identifier:** 2549003Q1RX8JB20XW74

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 71.13% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 7.48, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	7.48 ESG Score	98.71%	97.20%
Portfolio weighted average ESG score for the Investment Universe	6.78 ESG Score	99.98%	98.89%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	7.37 ESG Score	98.93%	98.59%
Portfolio weighted average ESG score for the Investment Universe	6.79 ESG Score	99.48%	49.67%

- **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 71.13% was lower than the previous reference period, when it was 76.08%. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was higher than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 7.48.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
MICROSOFT CORP	Information and communication	4.08%	US
ALPHABET INC CLASS A	Information and communication	3.96%	US
PRAIRIESKY ROYALTY LTD	Mining and quarrying	3.50%	CA
INTEL CORPORATION CORP	Manufacturing	3.01%	US
FRANCO NEVADA CORP	Financial and insurance activities	3.01%	CA
BROOKFIELD CORP	Real estate activities	2.74%	CA
TENCENT HOLDINGS LTD	Information and communication	2.66%	CN
CROWN CASTLE INC	Real estate activities	2.39%	US
SEGRO REIT PLC	Real estate activities	2.35%	GB
BYD LTD H	Manufacturing	2.35%	CN
MAGNA INTERNATIONAL INC	Manufacturing	2.25%	CA
MANULIFE FINANCIAL CORP	Financial and insurance activities	2.02%	CA
LULULEMON ATHLETICA INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.99%	CA
BRISTOL MYERS SQUIBB	Manufacturing	1.98%	US
BECTON DICKINSON	Manufacturing	1.98%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 98.92% of NAV as at 31 March 2024. This comprised 71.13% of NAV in sustainable investments, and the remaining 27.79% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 1.66% were aligned to the EU Taxonomy, 36.77% related to investments with other environmental characteristics, and 32.70% related to socially sustainable investments.

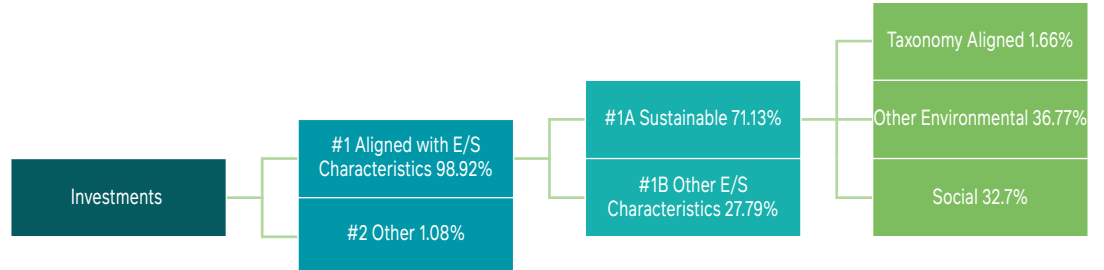
1.08% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	33.13%
Information and communication	16.90%
Financial and insurance activities	12.97%
Real estate activities	10.36%
Electricity, gas, steam and air conditioning supply	6.62%
Transportation and storage	4.87%
Mining and quarrying	4.79%
Wholesale and retail trade; repair of motor vehicles and motorcycles	4.50%
Water supply; sewerage, waste management and remediation activities	1.99%
Construction	1.49%
Other	1.29%
Human health and social work activities	0.98%
Professional, scientific and technical activities	0.10%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 1.66%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 3.95% while climate change adaptation contributed 0.0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	3.95%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

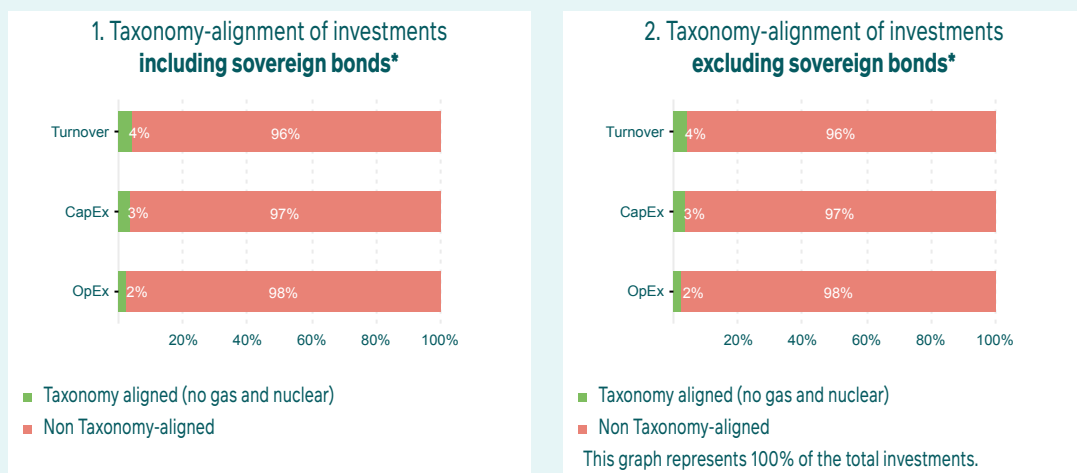
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.01% and in enabling activities 0.52%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.01%
Share of Enabling Activities	0.52%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 1.66% and was therefore lower than in the previous reference period when it was 3.03%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 36.77%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 32.70%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Income Allocation Fund  
**Legal Entity Identifier:** 5493009TGYUIY117XO13

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 61.55% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also includes assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach").

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance)

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

- **...and compared to previous periods?**

The Fund sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reference period, as they did in the previous reporting period.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 61.55% in sustainable investments in this reference period. This is slightly lower than it was in the previous reference period, when it was 62.83%.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	5.12%	DE
TREASURY NOTE	Public administration and defence; compulsory social security	5.11%	US
TREASURY BOND	Public administration and defence; compulsory social security	3.70%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	3.69%	DE
UK CONV GILT	Public administration and defence; compulsory social security	3.07%	GB
TREASURY BILL	Public administration and defence; compulsory social security	2.84%	US
COLOMBIA REPUBLIC OF (GOVERNMENT)	Public administration and defence; compulsory social security	2.24%	CO
BRAZIL FEDERATIVE REPUBLIC OF	Public administration and defence; compulsory social security	1.76%	BR
MEXICO (UNITED MEXICAN STATES)	Public administration and defence; compulsory social security	1.75%	MX
PERU (REPUBLIC OF)	Public administration and defence; compulsory social security	1.69%	PE
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.58%	CL
TREASURY BILL	Public administration and defence; compulsory social security	1.29%	US
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	1.27%	GB
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.27%	DE
TREASURY NOTE	Public administration and defence; compulsory social security	1.24%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

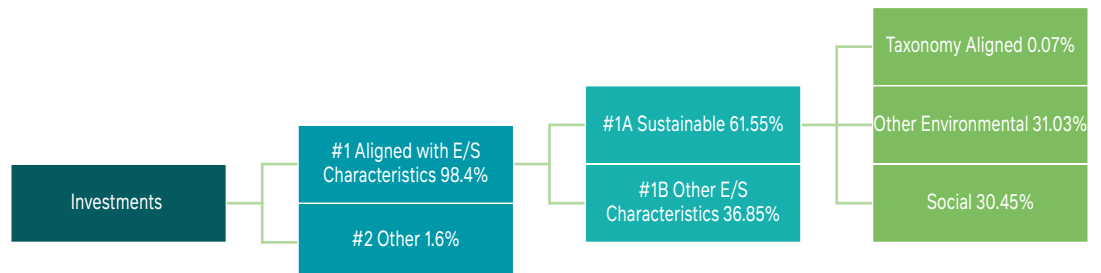
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 98.40% of NAV as at 31 March 2024. This comprised 61.55% of NAV in sustainable investments, and the remaining 36.85% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.07% were aligned to the EU Taxonomy. 31.03% related to investments with other environmental characteristics, and 30.45% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

## What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Public administration and defence; compulsory social security	45.49%
Manufacturing	20.58%
Financial and insurance activities	10.70%
Information and communication	6.45%
Wholesale and retail trade; repair of motor vehicles and motorcycles	3.45%
Transportation and storage	2.58%
Mining and quarrying	2.56%
Activities of extraterritorial organisations and bodies	2.00%
Electricity, gas, steam and air conditioning supply	1.31%
Other	1.21%
Real estate activities	1.18%
Accommodation and food service activities	0.78%
Administrative and support service activities	0.59%
Professional, scientific and technical activities	0.57%
Human health and social work activities	0.34%
Construction	0.23%
Other service activities	0.00%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.07%.

This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

Climate change mitigation accounted for 0.09% while climate change adaptation accounted for 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.09%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

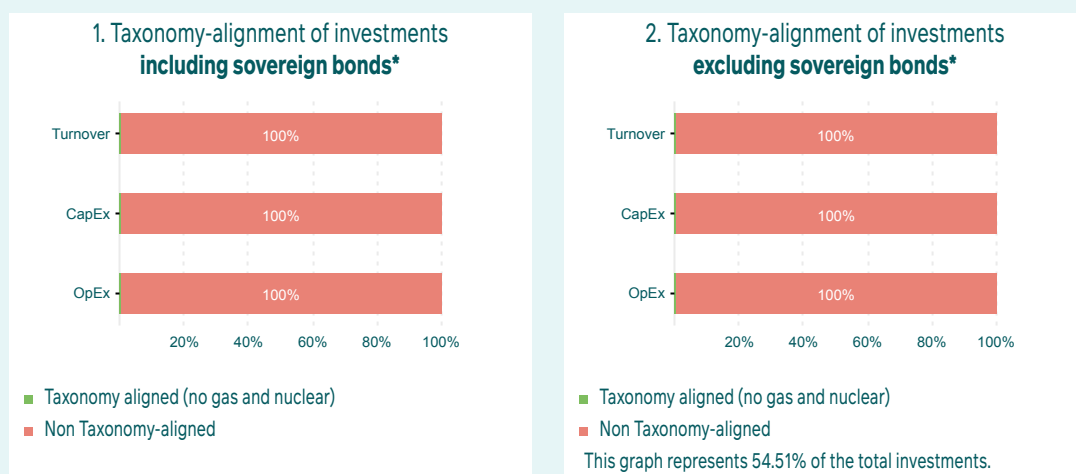
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 0.01% and in enabling activities was 0.02% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.01%
Share of Enabling Activities	0.02%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of the Fund's investments that were aligned with the EU taxonomy in this reference period (0.07%) is in line with the previous reference period when it was 0.08%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 31.03%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 30.45%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, collectives, FX derivatives, index derivatives and similar derivatives. No safeguards were applied.

The Fund may hold cash, near cash and money market funds, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Japan Fund  
**Legal Entity Identifier:** 549300OR1ZG2XAP7AU07

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.61% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 7.19, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	7.19 ESG Score	97.27%	99.16%
Portfolio weighted average ESG score for the Investment Universe	7.34 ESG Score	100.00%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the Fund	6.69 ESG Score	98.78%	98.60%
Portfolio weighted average ESG score for the Investment Universe	7.15 ESG Score	99.42%	50.00%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 59.61% was lower than the previous reference period, when it was 62.51%. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was higher than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 7.19.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

● **How were the indicators for adverse impacts on sustainability factors taken into account?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
mitsubishi UFJ FINANCIAL GROUP INC	Financial and insurance activities	5.97%	JP
TOYOTA MOTOR CORP	Manufacturing	5.47%	JP
SEVEN & I HOLDINGS LTD	Wholesale and retail trade; repair of motor vehicles and motorcycles	4.53%	JP
HITACHI LTD	Information and communication	4.22%	JP
MITSUI LTD	Mining and quarrying	4.09%	JP
NIPPON TELEGRAPH AND TELEPHONE COR	Information and communication	3.81%	JP
ORIX CORP	Financial and insurance activities	3.75%	JP
SONY GROUP CORP	Manufacturing	3.32%	JP
HONDA MOTOR LTD	Manufacturing	3.23%	JP
TOYOTA INDUSTRIES CORP	Manufacturing	2.62%	JP
SOFTBANK GROUP CORP	Information and communication	2.45%	JP
RECRUIT HOLDINGS LTD	Administrative and support service activities	2.43%	JP
CREDIT SAISON LTD	Financial and insurance activities	2.39%	JP
NEC CORP	Information and communication	2.36%	JP
MITSUI FUDOSAN LTD	Real estate activities	2.23%	JP



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.58% of NAV as at 31 March 2024. This comprised 59.61% of NAV in sustainable investments, and the remaining 37.97% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy, 53.54% related to investments with other environmental characteristics, and 6.07% related to socially sustainable investments.

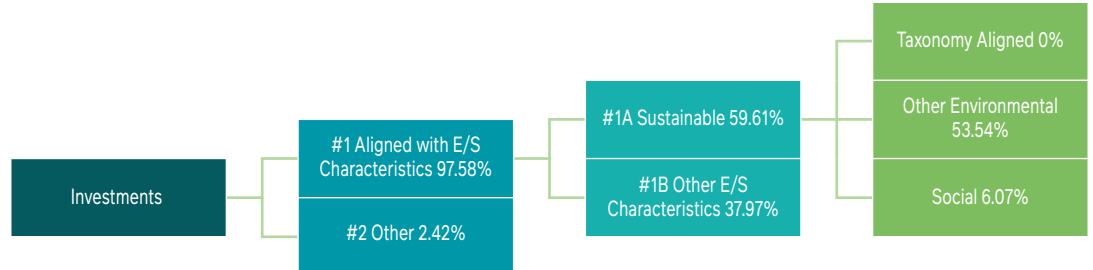
2.42% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	40.31%
Information and communication	13.92%
Financial and insurance activities	13.91%
Wholesale and retail trade; repair of motor vehicles and motorcycles	7.13%
Administrative and support service activities	5.72%
Real estate activities	4.45%
Mining and quarrying	4.09%
Construction	2.77%
Other	2.71%
Transportation and storage	2.50%
Professional, scientific and technical activities	2.37%
Arts, entertainment and recreation	0.11%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.00%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data. The percentage of contribution from climate change mitigation was 0% while climate change adaptation contributed 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

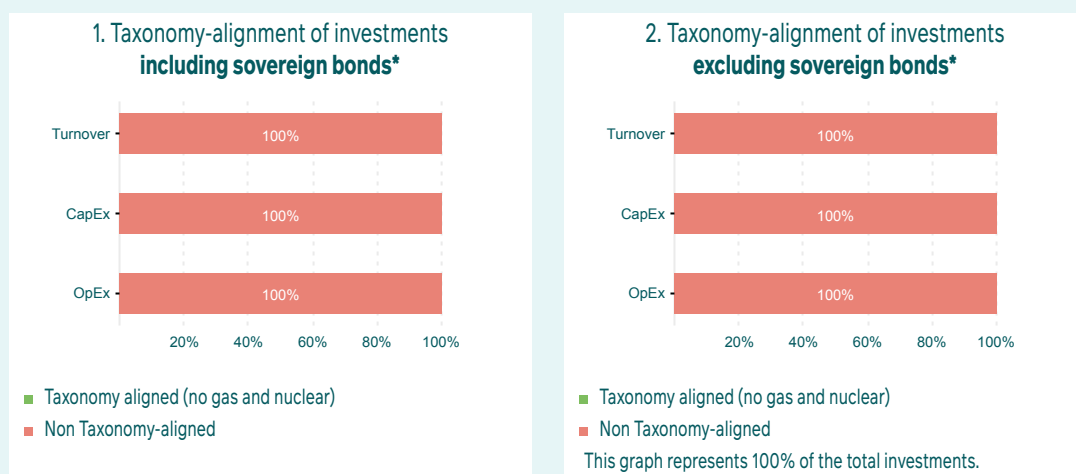
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.00% and in enabling activities 0.00%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 0% and was the same as in the previous reference period when it was 0%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 53.54%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 6.07%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives. The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### ● How did the reference benchmark differ from a broad market index?

N/A

#### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Japan Smaller Companies Fund  
**Legal Entity Identifier:** 549300QUHQWF3GEVSU46

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

**No**

It made **sustainable investments with an environmental objective:**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 55.3% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 6.26, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714). Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	6.26 ESG Score	97.64%	85.97%
Portfolio weighted average ESG score for the Investment Universe	6.73 ESG Score	100.00%	98.10%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	5.82 ESG Score	98.12%	81.90%
Portfolio weighted average ESG score for the Investment Universe	6.45 ESG Score	99.15%	48.92%

- **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 55.3% was higher than the previous reference period, when it was 49.4%. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was slightly higher than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 6.26.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
KYB CORP	Manufacturing	2.93%	JP
CREDIT SAISON LTD	Financial and insurance activities	2.88%	JP
ICHIGO INC	Real estate activities	2.87%	JP
TOYOTA INDUSTRIES CORP	Manufacturing	2.79%	JP
OPEN UP GROUP INC	Administrative and support service activities	2.77%	JP
USHIO INC	Manufacturing	2.62%	JP
SUMITOMO BAKELITE LTD	Manufacturing	2.54%	JP
HITACHI ZOSEN CORP	Manufacturing	2.52%	JP
ORIX CORP	Financial and insurance activities	2.47%	JP
ROHM LTD	Manufacturing	2.44%	JP
YAMAHA MOTOR LTD	Manufacturing	2.42%	JP
DIP CORP	Administrative and support service activities	2.31%	JP
CKD CORP	Manufacturing	2.26%	JP
NEC CORP	Information and communication	2.26%	JP
NIKON CORP	Manufacturing	2.20%	JP



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 96.18% of NAV as at 31 March 2024. This comprised 55.30% of NAV in sustainable investments, and the remaining 40.88% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy. 48.48% related to investments with other environmental characteristics, and 6.82% related to socially sustainable investments.

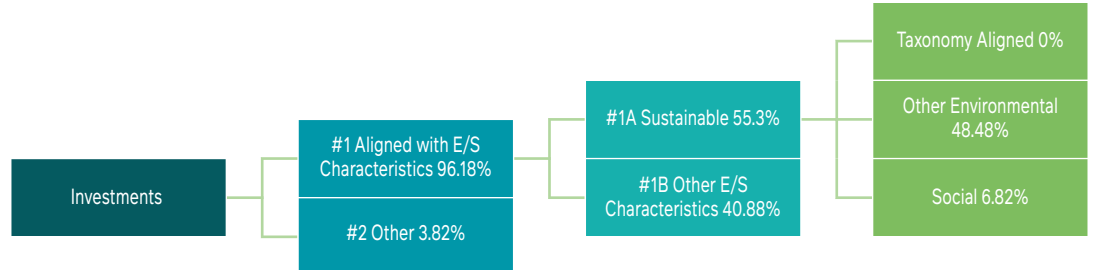
3.82% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	57.90%
Financial and insurance activities	11.00%
Administrative and support service activities	6.90%
Transportation and storage	4.77%
Real estate activities	3.79%
Professional, scientific and technical activities	3.47%
Wholesale and retail trade; repair of motor vehicles and motorcycles	3.27%
Information and communication	2.86%
Other	2.35%
Construction	2.15%
Human health and social work activities	1.37%
Agriculture, forestry and fishing	0.16%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 0% while climate change adaptation contributed 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.00%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

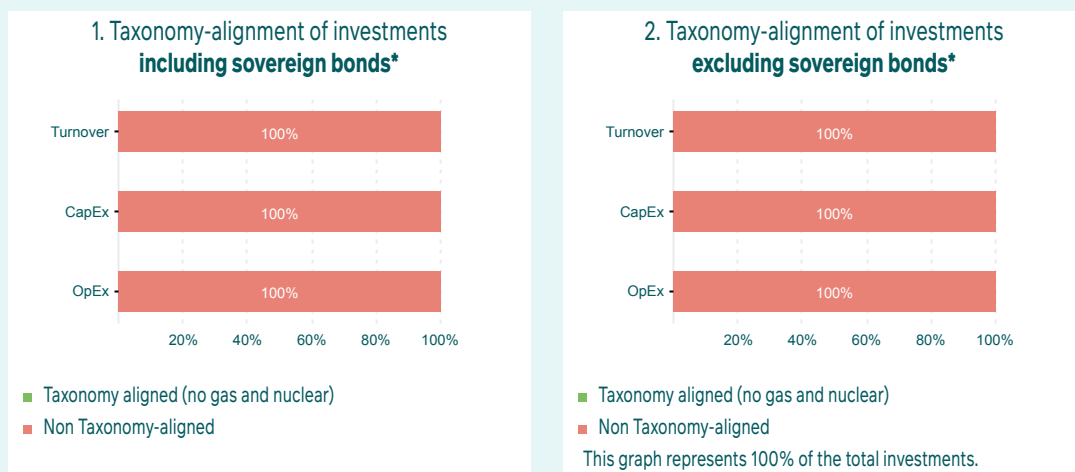
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 0% and was therefore the same as the previous reference period when it was 0%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 48.48%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 6.82%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### How did the reference benchmark differ from a broad market index?

N/A

#### How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) North American Dividend Fund  
**Legal Entity Identifier:** LU1670627253

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 79.1% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 7.17, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714). Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	7.17 ESG Score	98.73%	100.00%
Portfolio weighted average ESG score for the Investment Universe	6.63 ESG Score	100.00%	99.25%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	7.32 ESG Score	98.74%	100.00%
Portfolio weighted average ESG score for the Investment Universe	6.68 ESG Score	99.37%	49.82%

● **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 79.10% was lower than the previous reference period, when it was 89.05%. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was slightly lower than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of at least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 7.17.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

● **How were the indicators for adverse impacts on sustainability factors taken into account?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
MICROSOFT CORP	Information and communication	9.09%	US
BROADCOM INC	Manufacturing	8.07%	US
MASTERCARD INC CLASS A	Financial and insurance activities	8.04%	US
VISA INC CLASS A	Financial and insurance activities	6.00%	US
UNITEDHEALTH GROUP INC	Financial and insurance activities	4.60%	US
BLACKROCK INC	Financial and insurance activities	4.18%	US
AMERICAN TOWER REIT CORP	Real estate activities	2.94%	US
COGENT COMMUNICATIONS HOLDINGS INC	Information and communication	2.76%	US
JPMORGAN CHASE	Financial and insurance activities	2.69%	US
AIR PRODUCTS AND CHEMICALS INC	Manufacturing	2.66%	US
THERMO FISHER SCIENTIFIC INC	Manufacturing	2.48%	US
ELEVANCE HEALTH INC	Financial and insurance activities	2.41%	US
AMERICAN EXPRESS	Financial and insurance activities	2.29%	US
EQUINIX REIT INC	Information and communication	2.18%	US
ARTHUR J GALLAGHER	Financial and insurance activities	2.11%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.86% of NAV as at 31 March 2024. This comprised 79.10% of NAV in sustainable investments, and the remaining 18.76% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.0% were aligned to the EU Taxonomy. 42.24% related to investments with other environmental characteristics, and 36.86% related to socially sustainable investments.

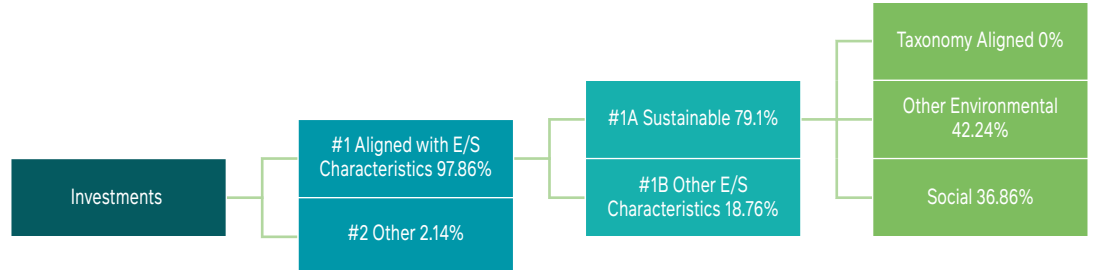
2.14% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	33.55%
Manufacturing	26.94%
Information and communication	19.61%
Wholesale and retail trade; repair of motor vehicles and motorcycles	6.59%
Real estate activities	4.83%
Administrative and support service activities	2.43%
Electricity, gas, steam and air conditioning supply	2.10%
Mining and quarrying	1.97%
Other	1.27%
Transportation and storage	0.71%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution from climate change mitigation was 1.81% while climate change adaptation contributed 0.0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	1.81%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

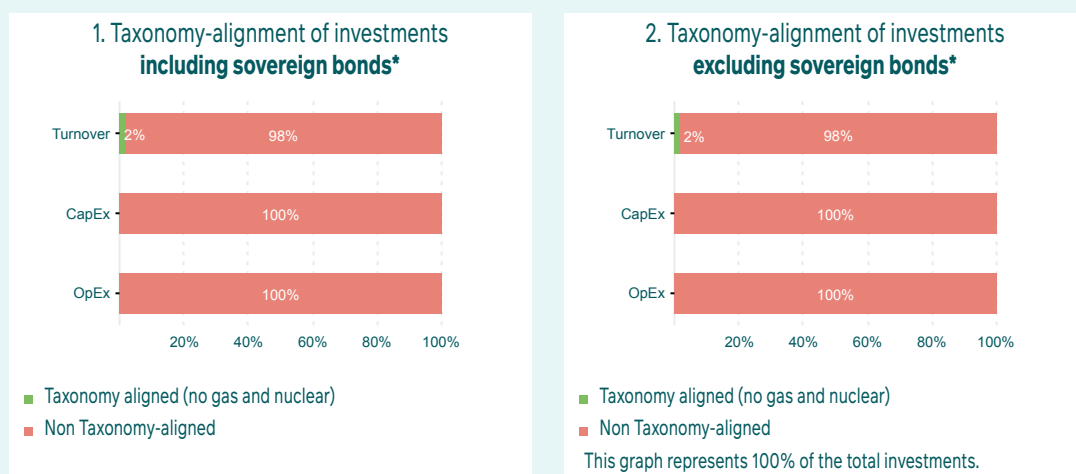
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 0.0% and was therefore the same as the previous reference period when it was 0.0%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 42.24%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 36.86%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### How did the reference benchmark differ from a broad market index?

N/A.

#### How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A.
- **How did this financial product perform compared with the broad market index?**  
N/A.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) North American Value Fund  
**Legal Entity Identifier:** 549300JHS93E10IP4365

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

**No**

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 77.43% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reference period.

by the financial product are attained.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met as the Fund's ESG Score was 6.39, which is equivalent to at least an MSCI A rating (or numerical score of at least 5.714).

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Portfolio weighted average ESG score for the fund	6.39 ESG Score	97.43%	99.03%
Portfolio weighted average ESG score for the Investment Universe	6.63 ESG Score	100.00%	99.25%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	6.10 ESG Score	97.37%	100.00%
Portfolio weighted average ESG score for the Investment Universe	6.68 ESG Score	98.53%	49.82%

- **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reference period at 77.43% was higher than the previous reference period, when it was 76.42%. As it did in the previous reference period, the Fund complied with its Exclusionary Approach at all times during the period. The portfolio weighted average ESG score for the Fund was higher than in the previous period, as can be seen in the table above. As it did in the previous period, the Fund maintained a Positive ESG Tilt by meeting the second test of achieving an MSCI ESG rating of least an A (equivalent to a numerical score of at least 5.714) with its ESG Score of 6.39.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
ALPHABET INC CLASS A	Information and communication	4.56%	US
META PLATFORMS INC CLASS A	Information and communication	3.61%	US
JPMORGAN CHASE	Financial and insurance activities	2.78%	US
JOHNSON & JOHNSON	Manufacturing	2.65%	US
MONDELEZ INTERNATIONAL INC CLASS A	Manufacturing	2.19%	US
CHEVRON CORP	Manufacturing	2.15%	US
ORACLE CORP	Information and communication	1.89%	US
CISCO SYSTEMS INC	Manufacturing	1.89%	US
COCA COLA EUROPACIFIC PARTNERS PLC	Manufacturing	1.80%	GB
KROGER	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.76%	US
DEVON ENERGY CORP	Mining and quarrying	1.75%	US
MEDTRONIC PLC	Manufacturing	1.74%	US
INTEL CORPORATION CORP	Manufacturing	1.72%	US
ELEVANCE HEALTH INC	Financial and insurance activities	1.71%	US
BRISTOL MYERS SQUIBB	Manufacturing	1.64%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.40% of NAV as at 31 March 2024. This comprised 77.43% of NAV in sustainable investments, and the remaining 19.96% of NAV in investments with other environmental and or social characteristics. Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy. 41.42% related to investments with other environmental characteristics, and 36.01% related to socially sustainable investments.

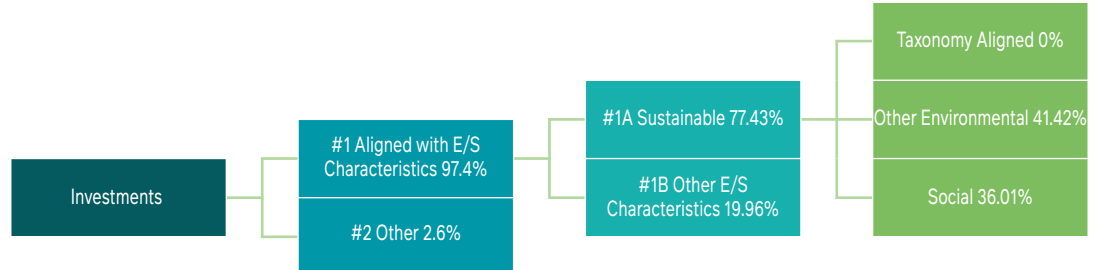
2.60% of the Fund was held in investments that were not aligned to the promoted environmental or social characteristics.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Manufacturing	45.23%
Information and communication	17.73%
Financial and insurance activities	14.00%
Mining and quarrying	5.33%
Wholesale and retail trade; repair of motor vehicles and motorcycles	4.70%
Electricity, gas, steam and air conditioning supply	4.30%
Transportation and storage	3.53%
Other	2.57%
Real estate activities	1.45%
Administrative and support service activities	0.64%
Human health and social work activities	0.48%
Professional, scientific and technical activities	0.03%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data. The percentage of contribution from climate change mitigation was 0% while climate change adaptation contributed 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.00%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

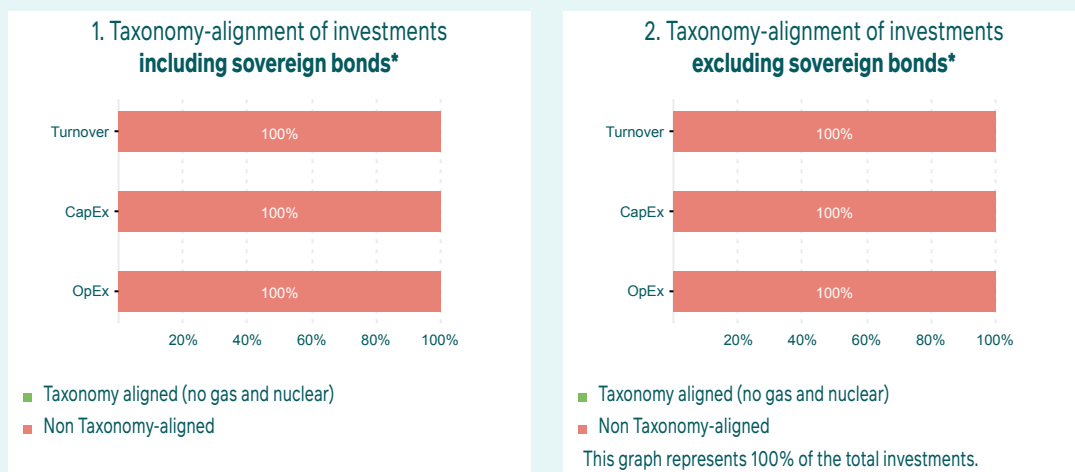
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments that were aligned with the EU Taxonomy in this reference period was 0% and was therefore the same as in the previous reference period when it was 0%.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 41.42%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 36.01%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators section shown above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

#### How did the reference benchmark differ from a broad market index?

N/A

#### How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Optimal Income Fund  
**Legal Entity Identifier:** 5493008ON3OV4FEXKY59

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 57.32% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted the use of an Exclusionary Approach (as defined below):

The Sub-Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also includes assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager is promoting environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark has been designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data-driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period. Until 30 November 2023, the fund committed to maintain a weighted average ESG score higher than that of its investment universe ("Positive ESG Tilt"), which it did successfully. From 30 November 2023 this Positive ESG Tilt was removed.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	0.04%	75.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	6.83 ESG Score	65.38%	91.16%
Portfolio weighted average ESG score for the Investment Universe	6.11 ESG Score	64.60%	42.62%

- **...and compared to previous periods?**

During this reporting period, the Fund's proportion of sustainable investments of 57.32% was lower than in the previous reporting period when it was 61.81% .

With regards to the Fund's Positive ESG Tilt, which aimed to maintain a weighted average ESG score higher than that of the fund's investment universe, it is not possible to compare the current to the previous reference period as the tilt was removed at the end of November 2023.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 57.32% in sustainable investments in the current reference period, lower than the percentage it held in the previous reference period (61.81%).

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
TREASURY NOTE	Public administration and defence; compulsory social security	2.94%	US
UK CONV GILT	Public administration and defence; compulsory social security	2.20%	GB
UK CONV GILT	Public administration and defence; compulsory social security	2.20%	GB
TREASURY NOTE	Public administration and defence; compulsory social security	2.15%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.02%	FR
UK CONV GILT	Public administration and defence; compulsory social security	1.92%	GB
TREASURY NOTE	Public administration and defence; compulsory social security	1.81%	US
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	1.60%	GB
TREASURY BOND	Public administration and defence; compulsory social security	1.27%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.17%	FR
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.03%	FR
TREASURY NOTE	Public administration and defence; compulsory social security	1.02%	US
TREASURY BOND	Public administration and defence; compulsory social security	1.01%	US
UK CONV GILT	Public administration and defence; compulsory social security	0.91%	GB
UK CONV GILT	Public administration and defence; compulsory social security	0.84%	GB



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 92.50% of NAV as at 31 March 2024. This comprised 57.32% of NAV in sustainable investments, and the remaining 35.19% of NAV in investments with other environmental and or social characteristics.

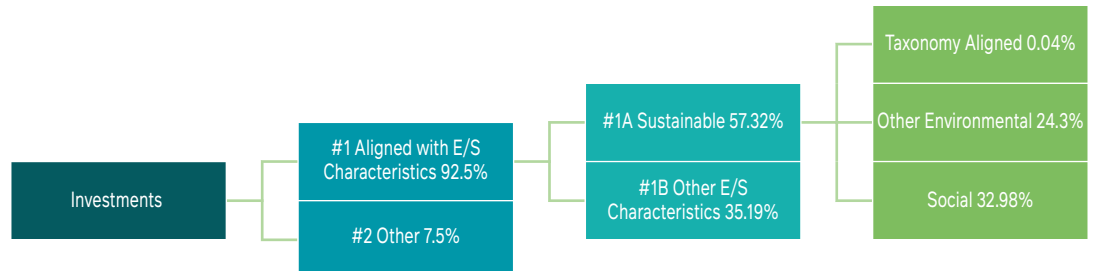
The Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.04% were aligned to the EU Taxonomy, while 24.30% related to investments with other environmental characteristics, and 32.98% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	43.83%
Public administration and defence; compulsory social security	34.45%
Other	5.72%
Manufacturing	4.06%
Information and communication	3.78%
Electricity, gas, steam and air conditioning supply	3.34%
Activities of extraterritorial organisations and bodies	1.22%
Real estate activities	0.78%
Administrative and support service activities	0.71%
Accommodation and food service activities	0.50%
Transportation and storage	0.38%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.34%
Mining and quarrying	0.26%
Professional, scientific and technical activities	0.21%
Human health and social work activities	0.16%
Water supply; sewerage, waste management and remediation activities	0.15%
Construction	0.07%
Other service activities	0.04%
Arts, entertainment and recreation	0.00%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.04%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.37% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.37%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

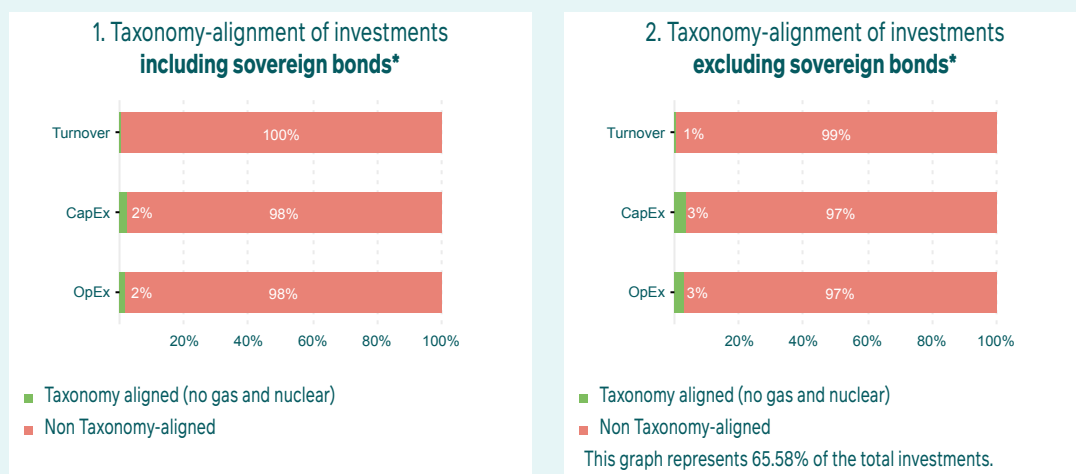
- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.09% and to enabling activities was 0.12%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.09%
Share of Enabling Activities	0.12%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly lower than it was in the previous reference period. In the previous reference period, the share was 0.1%, compared to 0.04% in this reference period.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 24.30%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of socially sustainable investments was 32.98%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held securitised assets, credit default swaps, derivatives, cash, FX derivatives and money market funds and as “Other” investments, for any purpose permitted by the Fund’s investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund’s investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments’ alignment with the promoted characteristics.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



### **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund’s sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A.

- **How did this financial product perform compared with the reference benchmark?**

N/A.

- **How did this financial product perform compared with the broad market index?**

N/A.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) Pan European Sustain Paris Aligned Fund  
**Legal Entity Identifier:** 549300P77Z28WJUYV459

## Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective**: 96.48%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**:

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that contribute towards the Paris Agreement climate change goal, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 2.85%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Notably, 60.99% of the fund's Net Asset Value (NAV) was held in companies with ratified science-based targets, while a further 14.42% of NAV was held in companies that have committed to science-based targets. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement.

Investee companies providing climate solutions helped to avoid 113399970 tonnes of CO2 equivalents, according to the latest available company disclosures. Investee companies in this area included transport and logistics company DSV and Danish renewable energy company Ørsted.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	18.82%	98.36%	79.17%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	46.78%	98.36%	79.17%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	89.70%	98.36%	98.49%
Total renewable energy produced (megawatt hours)	-	98.36%	0%
Tonnes of CO2 emissions avoided by positive impact investments	183750000 tCO2e	98.36%	7.47%
Weighted average carbon intensity (WACI) for the fund	44.5 tCO2e	96.85%	99.63%
Weighted average carbon intensity (WACI) for the Investment Universe	113.9 tCO2e	-	-

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	14.42%	100%	89.07%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	70.24%	100%	96.46%
Avoided carbon emissions-for companies that provide direct solutions to the climate challenge via their products and services	113399970 tCO2e	100%	6.48%
Total renewable energy produced (megawatt hours)	-	100%	0.00%
Weighted average carbon intensity (WACI) for the fund	47.18 tCO2e	96.46%	100%
Weighted average carbon intensity (WACI) for the Investment Universe	102.50 tCO2e	100%	98.24%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	60.99%	100%	89.07%

● **...and compared to previous periods?**

In the reference period, 60.99% of the fund's NAV was invested in companies with ratified science-based targets. This is an increase on the previous reporting period's figure which was 46.78%. Conversely, the percentage of NAV invested in companies that have committed to science-based targets fell to 14.42% in the reference period (from 18.82% in the previous reporting period).

During the reference period, investee companies providing climate solutions helped avoid 113399970 tonnes of CO2 equivalents; this is a decrease on the previous reporting period's figure which was 183750000 tonnes.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



#### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



#### **What were the top investments of this financial product?**

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
NOVO NORDISK CLASS B	Manufacturing	5.61%	DK
SCHNEIDER ELECTRIC	Manufacturing	5.08%	FR
SCOUT24 N	Information and communication	4.28%	DE
AIB GROUP PLC	Financial and insurance activities	4.20%	IE
NESTLE SA	Manufacturing	3.72%	CH
DSV	Transportation and storage	3.65%	DK
RELX PLC	Information and communication	3.63%	GB
WH SMITH PLC	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.60%	GB
KUEHNE UND NAGEL INTERNATIONAL AG	Transportation and storage	3.49%	CH
UNILEVER PLC	Manufacturing	3.43%	GB
ING GROEP NV	Financial and insurance activities	3.34%	NL
CTS EVENTIM AG	Arts, entertainment and recreation	3.23%	DE
AKZO NOBEL NV	Manufacturing	3.20%	NL
AMADEUS IT GROUP SA	Information and communication	3.17%	ES
SAP	Information and communication	3.15%	DE



### What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 80% to be invested in environmental sustainable investments, in pursuit of the environmental sustainable investment objective.

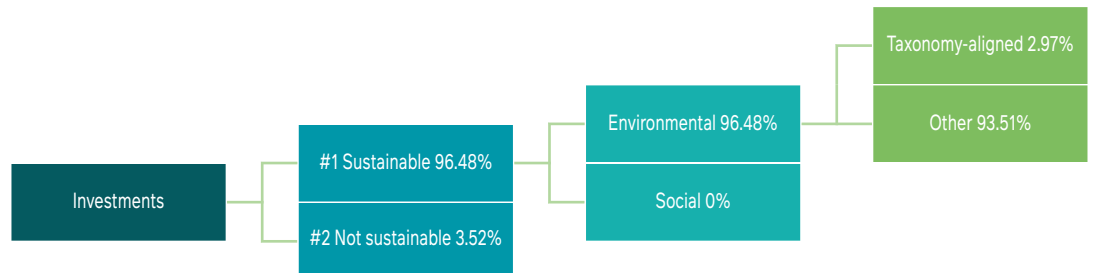
As of 31 March 2024, 96.48% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 80%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 2.97% of the sustainable investments were aligned to the EU Taxonomy. 96.48% related to investments with environmental objectives and 0% related to investments with a social objective.

3.52% of the Fund was composed of "not sustainable" investments (cash and money market funds).

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

### In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	42.83%
Information and communication	17.14%
Financial and insurance activities	14.11%
Transportation and storage	7.15%
Wholesale and retail trade; repair of motor vehicles and motorcycles	6.61%
Other	3.54%
Arts, entertainment and recreation	3.23%
Administrative and support service activities	2.15%
Human health and social work activities	1.85%
Electricity, gas, steam and air conditioning supply	1.40%





## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 2.97% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 2.85%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	2.85%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

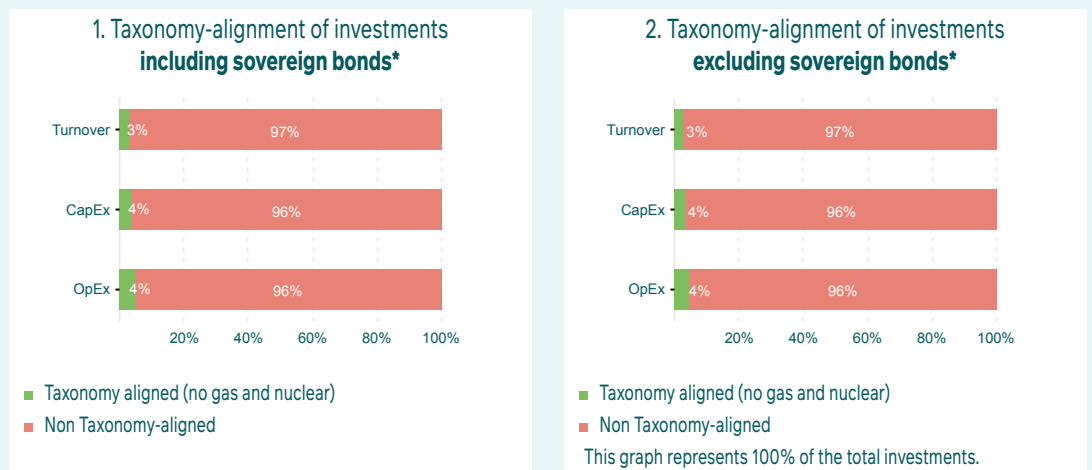
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:  In fossil gas  In nuclear energy
- No

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

Over the period, the share of the Fund's investments made in transitional activities was 0% while the share of the Fund's investments made in enabling activities was 1.77%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	1.77%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 2.97% in taxonomy-aligned investments. This is an increase on the previous reporting period's figure which was 0.76%.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 93.51%. This compares to a minimum percentage commitment of 80% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



- **What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.



- **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash and money market funds as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



## What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund has invested in companies that contribute towards the Paris Agreement climate change goal. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their climate and sustainability standards, to support the fund's sustainable investment objective.

For example, we met Danish pharmaceutical company ALK-Abelló to ensure it was on track to have its near-term climate goals validated by the Science Based Targets initiative (SBTi). We suggested that the business disclose its strategy for achieving these targets and that variable remuneration be tied into milestones. The company confirmed that it was at the last stage of the finalisation process for its 2030 target; this will then need approval from the board before being submitted to the SBTi. The company is seeking to simplify its non-financial remuneration KPIs; in doing so, it will consider embedding climate targets into this KPI framework. The company was also receptive to the idea of publishing milestones in connection with its 2030 target.

We met UK retailer WH Smith to ask it to publish milestones in its roadmap for achieving emission reduction targets. We proposed that it tie some executive remuneration into reaching these milestones. The company understood our rationale for seeking the publication of milestones (it would allow us to ensure the company was on track to meeting its targets) and said it would think about the request. At the time of our meeting, WH Smith was going into its three-year remuneration policy review. The company stated that it was considering enhancing chief executives' packages so that they are more competitive.

We also reiterated our suggestion that WH Smith's workforce be paid in line with the real living wage. The company asserted that it was currently paying at a premium to the statutory minimum wage. It stated that bringing salaries in line with the real living wage could have an impact on profitability and potentially result in store closures. We were clear that we did not want our suggestion on this issue to have unintended consequences; we proposed that employees move on to a real living wage equivalent after completing training, which takes three to six months. We think this could act as a tool for recruitment and retention. The company said it would consider our proposals, but takes the view that wage increases are more of a gradual evolution. It has hired a new chief people officer, who is putting a new people strategy in place.



## How did this financial product perform compared to the reference sustainable benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

### ● How did the reference benchmark differ from a broad market index?

N/A

### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

N/A

### ● How did this financial product perform compared with the reference benchmark?

N/A

### ● How did this financial product perform compared with the broad market index?

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Positive Impact Fund  
**Legal Entity Identifier:** 549300XGF5HHUXGRO059

## Sustainable investment objective

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective**: 52.9%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: 45.25%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

The Fund invested in companies that have a positive societal impact through addressing the world's major social and/or environmental challenges, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 3.07%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

Please see the below table for an overview of the fund's performance relative to its sustainability indicators.

The 'Eligibility' figure is a measure of the percentage of fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

In the reporting period, 96.43% of the fund was held in investments aligned with the UN's Sustainable Development Goals (SDGs). This is in line with the fund's aim to hold companies which make a positive impact and contribute towards at least one of the SDGs. Furthermore, 68.71% of the fund's Net Asset Value (NAV) was held in companies participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting. The TCFD provides recommendations to help companies disclose clear, comparable and consistent information about the risks and opportunities presented by climate change, aiming to improve transparency for investors and other market participants.

Notably, 41.39% of the fund's NAV was held in companies that have ratified science-based targets, while a further 19.21% of NAV was held in companies that have committed to science-based targets. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement. These companies are therefore demonstrating their intention to contribute positively towards global climate action, aside from their primary positive social or environmental impact.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of NAV invested in positive impact assets in the Fund	98.00 %	100.00%	99.01%
Percentage (%) of investments by value that is SDG-aligned	97.97 %	98.01%	99.01%
Weighted average carbon intensity (WACI) for the fund	126.26 tCO <sub>2</sub> e /€m sales	97.03%	98.09%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	31.35 %	98.01%	56.97%
% of CO <sub>2</sub> emissions with Science Based Targets (SBTs)	63.3% tCO <sub>2</sub> e	97.03%	50.59%
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	13.20 %	98.01%	56.97%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	88.30 %	98.01%	99.01%
Percentage (%) of NAV in Climate Solutions companies	7.92 %	97.03%	100.00%
Percentage (%) of NAV investment providing environmental solutions	24.94 %	98.01%	99.01%
Percentage (%) of NAV in Circular Economy solutions companies	10.56 %	98.01%	99.01%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV invested in positive impact assets in the Fund	96.43 %	100.00%	100.00%
Percentage (%) of investments by value that is SDG-aligned	96.43 %	100.00%	100.00%
Weighted average carbon intensity (WACI) for the fund	108.45 tCO <sub>2</sub> e / €m sales	97.45%	98.60%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	41.39 %	100.00%	70.91%
% of CO <sub>2</sub> emissions with Science Based Targets (SBTs)	84.7% tCO <sub>2</sub> e	97.45%	72.77%
Percentage (%) of NAV committed to Science-Based Targets (SBTs)	19.21 %	100.00%	70.91%
Percentage (%) of NAV participating in Task Force on Climate-Related Financial Disclosures (TCFD) reporting	68.71 %	100.00%	95.95%
Percentage (%) of NAV in Climate Solutions companies	4.70 %	97.45%	100.00%
Percentage (%) of NAV investment providing environmental solutions	27.42 %	100.00%	97.39%
Percentage (%) of NAV in Circular Economy solutions companies	12.60 %	100.00%	97.39%

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **...and compared to previous periods?**

In the reference period, 96.43% of the fund was held in investments aligned with the UN's Sustainable Development Goals (SDGs). This reflects a slight decrease on the previous reporting period's figure which was 97.97%.

During the reference period, 68.71% of the fund's NAV was held in companies participating in Task Force on Climate-related Financial Disclosures (TCFD) reporting; this is a decrease on the previous reporting period's figure of 88.30%.

In the previous reporting period, 31.35% of NAV was held in companies that have ratified science-based targets and 13.20% in companies that have committed to science-based targets. In the reference period, these figures increased to 41.39% and 19.21% respectively.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
ON SEMICONDUCTOR CORP	Manufacturing	5.61%	US
SCHNEIDER ELECTRIC	Manufacturing	5.23%	FR
NOVO NORDISK CLASS B	Manufacturing	6.70%	DK
JOHNSON CONTROLS INTERNATIONAL PLC	Manufacturing	4.92%	IE
HDFC BANK ADR REPRESENTING THREE L	Financial and insurance activities	4.82%	IN
UNITEDHEALTH GROUP INC	Financial and insurance activities	4.74%	US
BANK OF GEORGIA GROUP PLC	Financial and insurance activities	4.65%	GE
THERMO FISHER SCIENTIFIC INC	Manufacturing	4.51%	US
REPUBLIC SERVICES INC	Water supply; sewerage, waste management and remediation activities	4.17%	US
ANSYS INC	Information and communication	3.77%	US
QUEST DIAGNOSTICS INC	Human health and social work activities	3.47%	US
BECTON DICKINSON	Manufacturing	3.36%	US
HORIBA LTD	Manufacturing	3.00%	JP
BRAMBLES LTD	Manufacturing	2.95%	AU
AGILENT TECHNOLOGIES INC	Manufacturing	2.84%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus), the Fund committed to investing a minimum of 80% of the Fund in sustainable investments, with at least 30% in sustainable investments with a social objective and at least 30% in sustainable investments with an environmental objective.

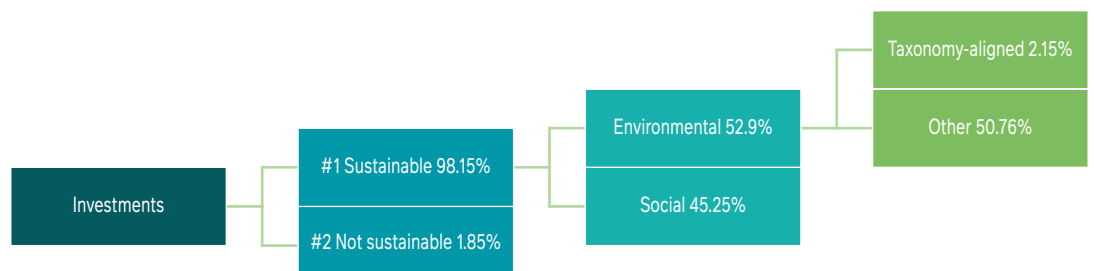
As of 31 March 2024, 98.15% of the Net Asset Value of the Fund was invested in sustainable investments, which is above the minimum commitment of 80%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 2.15% of the sustainable investments were aligned to the EU Taxonomy. 52.90% of the sustainable investments related to investments with environmental objectives and 45.25% related to investments with a social objective.

1.85% of the Fund was composed of "not sustainable" investments (cash).

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	51.88%
Financial and insurance activities	17.99%
Information and communication	6.85%
Human health and social work activities	6.45%
Water supply; sewerage, waste management and remediation activities	4.17%
Electricity, gas, steam and air conditioning supply	2.58%
Other	2.55%
Construction	2.23%
Wholesale and retail trade; repair of motor vehicles and motorcycles	2.16%
Other service activities	1.78%
Professional, scientific and technical activities	1.36%



- **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with an environmental objectives.

The Fund held 2.15% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 3.07%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	3.07%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

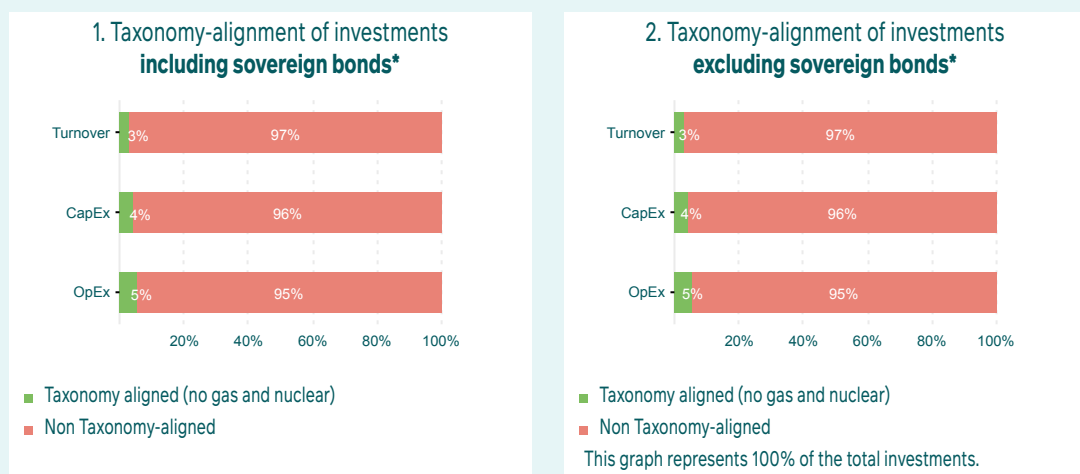
<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

Over the period, the share of the Fund's investments made in transitional activities was 0% while the share of the Fund's investments made in enabling activities was 0.76%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.76%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 2.15% in taxonomy-aligned investments. This is a decrease on the previous reporting period's figure which was 3.38%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 50.76%. This compares to a minimum percentage commitment of 30% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of sustainable investments with a social objective was 45.25%. This compares to a minimum percentage commitment of 30% stated in the Fund's precontractual disclosure.



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held varying levels of cash as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below:

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The Fund has invested in companies that have a positive societal impact through addressing the world’s major social and/or environmental challenges. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund’s sustainable investment objective.

For example, we met Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We believe Novo Nordisk is doing all it can to prevent abuse of Wegovy.

We met semiconductor manufacturer onsemi to discuss its decarbonisation plans. We urged the company to have its targets validated by the Science Based Targets initiative (SBTi). We also encouraged it to align long-term executive remuneration with these targets. We proposed that the company disclose emissions avoided through use of its products in order to demonstrate its positive impact. The company has published its Scope 3 emissions across 12 categories and is developing a climate transition plan. It also committed to the SBTi in 2023.

We liaised with ALK-Abelló to ensure it was on track to have its near-term climate goals validated by the Science Based Targets initiative (SBTi). We suggested that the business disclose its strategy for achieving these targets and that variable remuneration be tied into milestones. The company confirmed that it was at the last stage of the finalisation process for its 2030 target; this will then need approval from the board before being submitted to the SBTi. The company is seeking to simplify its non-financial remuneration KPIs; in doing so, it will consider embedding climate targets into this KPI framework. The company was also receptive to the idea of publishing milestones in connection with its 2030 target.



### **How did this financial product perform compared to the reference sustainable benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund’s sustainable investment objective.

#### **● How did the reference benchmark differ from a broad market index?**

N/A

#### **● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

#### **● How did this financial product perform compared with the reference benchmark?**

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Short Dated Corporate Bond Fund  
**Legal Entity Identifier:** 549300PT8Y5VIWCSE97

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 68.42% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance). The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	14.80%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00 %	2.88%	100.00%

- **...and compared to previous periods?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach in this reference period as it did in the previous period. As it did in the previous reference period, in this reference period it held 0% of ABS below the Investment Manager's threshold for alignment.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 68.42% in sustainable investments in the current reference period, slightly higher than the percentage it held in the previous reference period (68%).

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment"

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	4.16%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	3.76%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.97%	DE
ROYAL BANK OF CANADA	Financial and insurance activities	1.73%	CA
TSB BANK PLC	Financial and insurance activities	1.66%	GB
CLYDESDALE BANK PLC	Financial and insurance activities	1.48%	GB
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.45%	FR
TORONTO-DOMINION BANK/THE	Financial and insurance activities	1.43%	CA
INFORMA PLC	Information and communication	1.15%	GB
NEW YORK LIFE GLOBAL FUNDING	Financial and insurance activities	1.05%	US
HOPSH 3 (A)	Other	1.03%	GB
NATIONWIDE BUILDING SOCIETY	Financial and insurance activities	1.02%	GB
NATIONAL AUSTRALIA BANK LTD	Financial and insurance activities	1.01%	AU
DEUTSCHE PFANDBRIEFBANK AG	Financial and insurance activities	1.00%	DE
BANK OF NOVA SCOTIA	Financial and insurance activities	1.00%	CA



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

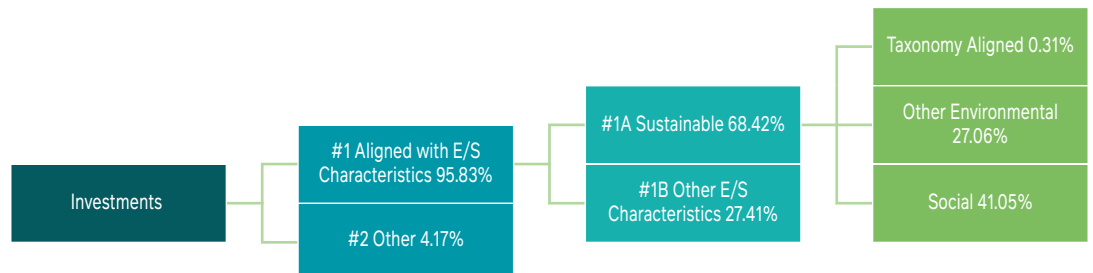
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.83% of NAV as at 31 March 2024. This comprised 68.42% of NAV in sustainable investments, and the remaining 27.41% of NAV in investments with other environmental and or social characteristics.

The Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.31% were aligned to the EU Taxonomy, while 27.06% related to investments with other environmental characteristics, and 41.05% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

## What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	53.20%
Other	16.66%
Public administration and defence; compulsory social security	12.22%
Manufacturing	6.07%
Information and communication	3.27%
Electricity, gas, steam and air conditioning supply	2.77%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.83%
Accommodation and food service activities	1.16%
Transportation and storage	0.96%
Activities of extraterritorial organisations and bodies	0.71%
Administrative and support service activities	0.43%
Real estate activities	0.36%
Professional, scientific and technical activities	0.34%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.31%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.58% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.58%
Climate Change Adaptation	0.00%



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

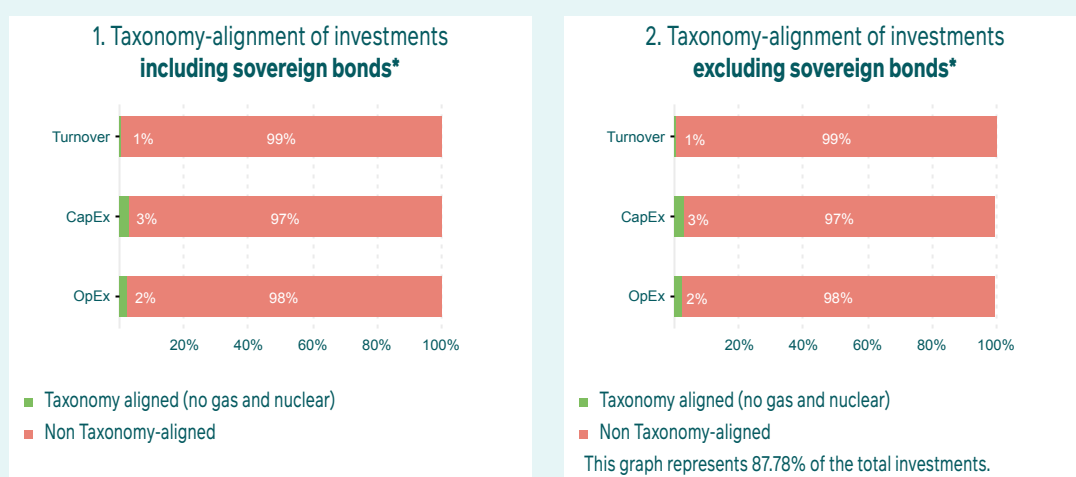
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.05% and to enabling activities was 0.20%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.05%
Share of Enabling Activities	0.20%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly higher than it was in the previous reference period. In the previous reference period, the share was 0.2%, compared to 0.31% in this reference period.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 27.06%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 41.05%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held securitised assets, credit default swaps, derivatives, cash, FX derivatives, money market funds, and as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators section above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Sustainable Allocation Fund  
**Legal Entity Identifier:** 549300G7EE7U31UKHL78

## Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective**: 74.65%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: 22.91%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

The fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 1.73%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

There was one inadvertent breach related to the Fund holding a Russian security, Alrosa Finance, not rated by MSCI. Following the sanctions imposed on Russian entities in 2022, MSCI dropped coverage of Alrosa Finance. As a result, we could no longer source key climate data which would have enabled us to assess the company's climate change credentials. The holding therefore automatically failed to meet the Fund's sustainable objective. This security was inherited by the fund due to a fund merger in the past. As a result of the sanctions, the security cannot be traded and has therefore been marked down to zero.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

**Sustainability indicators** measure how the sustainable

### ● How did the sustainability indicators perform?

objectives of this financial product are attained.

As part of the climate focus of the fund, we aim to assess our holdings on both their current carbon emissions/ emission intensity and on their climate transparency, governance and ambition as represented by clear reduction targets.

36.93% of corporate issuers held by the fund had ratified science-based targets in the reference period. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement.

In the reference period, positive impact assets constituted 39.89% of the fund's NAV. Examples of positive impact investments include Novo Nordisk, Ørsted and SolarEdge. Novo Nordisk's therapeutics are helping to fight and mitigate the impact of diabetes and obesity on patients' lives. Meanwhile, Ørsted and SolarEdge are both contributing to the clean energy transition; the former has expertise in wind power while the latter supplies solar inverters for solar energy production.

The fund has also invested in green bonds, including a Colombian green bond and a Chilean green bond. The Colombian green bond has been issued to fund projects related to sustainable water management, clean and sustainable transport, and ecosystem services and biodiversity. The Chilean green bond has been issued to fund green projects in areas such as clean transportation and renewable energy.

The number of underserved people reached by the fund's holdings stood at 200.53 million people in the reference period. Katitas and Bank Rakyat Indonesia are examples of investments in this area. Bank Rakyat Indonesia (BRI) provides financial services to micro, small and medium-sized enterprises (MSMEs). Its focus on MSMEs enables it to reach typically underserved markets. Meanwhile, Katitas provides affordable housing through the purchase and renovation of vacant homes.

The fund's weighted average carbon emissions intensity (WACI) is declining and now stands at 44.44 t CO<sub>2</sub>e. This reflects the decisions made in the investment process, as well as the fact that climate data is increasingly accessible (facilitating decision-making). The fund also holds several investments in renewable energy infrastructure and solution providers.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Number of underserved people reached including patients treated, customers served etc. by positive impact investments	200.53 Million people	100.00%	26.13%
Percentage (%) of NAV invested in positive impact assets in the Fund	39.89%	100.00%	100.00%
Percentage (%) of sovereigns party to the Paris Agreement	99.43 %	26.25%	99.43%
Percentage (%) of sovereign ranked above the Social Progress Index (SPI) Global Average, which assesses how well a society provides its people with material needs, and does not have a negative 5 year trend	100.00 %	26.25%	100.00%
Weighted average carbon intensity (WACI) for the fund	44.44 tCO2e / €m sales	69.76%	92.64%
Change in CO2 emissions intensity over the previous three year period CAGR Corporate	-7.32 CAGR 3Y	69.76%	65.61%
Change in CO2 emissions intensity over the previous three year period CAGR Sovereign	-2.89 CAGR 3Y	26.25%	99.43%
Percentage (%) of corporate issuers participating in the Carbon Disclosure Project (CDP)	72.87 %	69.76%	92.64%
Tonnes of CO2 emissions avoided by positive impact investments	470453623.05 tCO2e	100.00%	18.19%
Percentage (%) of corporate issuers with ratified Science-Based Targets under the Science Based Target Initiative (SBTi) or an equivalent as assessed by the Investment Manager	41.80 %	69.76%	76.13%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Percentage (%) of sovereigns party to the Paris Agreement	73.90 %	21.33%	73.90%
Weighted average carbon intensity (WACI) for the fund	59.14 tCO2e / €m sales	71.60%	88.44%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	26.44 %	83.46%	50.89%
Percentage (%) of corporate issuers participating in the Carbon Disclosure Project (CDP)	68.14 %	71.60%	89.61%
Tonnes of CO2 emissions avoided by positive impact investments	385911148.00 tCO2e	83.47%	17.23%
Percentage (%) of sovereign ranked above the Social Progress Index (SPI) Global Average, which assesses how well a society provides its people with material needs, and does not have a negative 5 year trend	96.53 %	21.33%	96.53%
Number of underserved people reached including patients treated, customers served etc. by positive impact investments	110.80 Million people	83.47%	26.60%
Percentage (%) of NAV invested in positive impact assets in the Fund	52.70 %	100.00%	100.00%
Change in CO2 emissions intensity over the previous three year period CAGR Corporate	-8.24 CAGR 3Y	71.60%	64.14%
Change in CO2 emissions intensity over the previous three year period CAGR Sovereign	-3.53 CAGR 3Y	21.33%	73.90%
Percentage (%) of corporate issuers with ratified Science-Based Targets under the Science Based Target Initiative (SBTi) or an equivalent as assessed by the Investment Manager	45.90 %	-	-

- **...and compared to previous periods?**

In the current reference period, the percentage of corporate issuers with ratified science-based targets was 36.93%. This is a decrease on the previous reference period's percentage which was 44.8%.

In the reference period, the fund's positive impact investments avoided 470453623.05 t CO<sub>2</sub>e, an increase on the previous reporting period's figure, which was 385911148.00 t CO<sub>2</sub>e.

In the previous reporting period, 52.70% of the fund's NAV was invested in positive impact assets; this figure fell to 39.89% in the reference period.

The fund's weighted average carbon emission intensity was 44.44 t CO<sub>2</sub>e in the reference period, a decrease on the previous reporting period's WACI which was 59.14 t CO<sub>2</sub>e.

In the reference period, 200.53 million underserved people were reached by the fund's holdings, an increase on the previous reporting period's figure of 110.80 million people.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	4.12%	SP
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	3.03%	DE
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	2.83%	GB
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.65%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.32%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.17%	DE
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.77%	CL
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.67%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.57%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.56%	DE
INTERNATIONAL BANK FOR RECONSTRUCT	Activities of extraterritorial organisations and bodies	1.55%	SP
THE RENEWABLES INFRASTRUCTURE GROU	Financial and insurance activities	1.51%	GG
UK CONV GILT	Public administration and defence; compulsory social security	1.51%	GB
INTERNATIONAL BANK FOR RECONSTRUCT	Activities of extraterritorial organisations and bodies	1.49%	SP
GREENCOAT RENEWABLES PLC	Financial and insurance activities	1.47%	IE



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be invested in sustainable investments, in pursuit of the sustainable investment objective, with at least 20% in sustainable investments with a social objective and at least 30% in sustainable investments with an environmental objective.

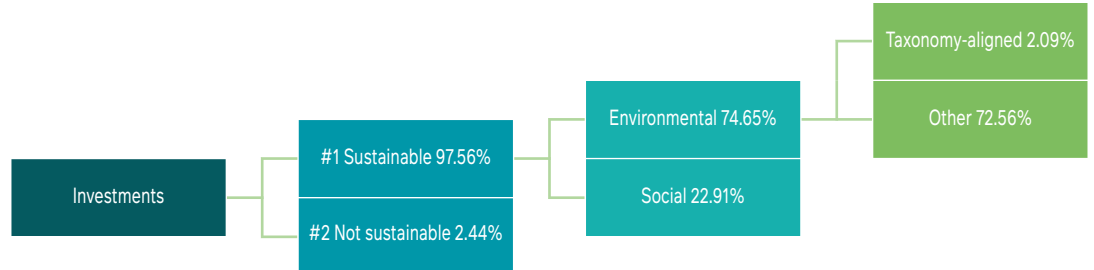
As of 31 March 2024, 97.56% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 70%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 2.09% of the sustainable investments were aligned to the EU Taxonomy. 74.65% related to investments with environmental objectives and 22.91% related to investments with a social objective.

2.44% of the Fund was comprised of "not sustainable" investments (cash, FX and FX forwards).

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.

**Asset allocation** describes the share of investments in specific assets.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Public administration and defence; compulsory social security	26.25%
Financial and insurance activities	23.28%
Manufacturing	19.41%
Activities of extraterritorial organisations and bodies	13.78%
Information and communication	6.08%
Real estate activities	2.56%
Electricity, gas, steam and air conditioning supply	2.47%
Human health and social work activities	2.04%
Other	1.55%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.62%
Water supply; sewerage, waste management and remediation activities	0.56%
Construction	0.49%
Education	0.42%
Professional, scientific and technical activities	0.40%
Administrative and support service activities	0.10%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 2.09% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the Fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 1.73%. The percentage of the Fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.



Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	1.73%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

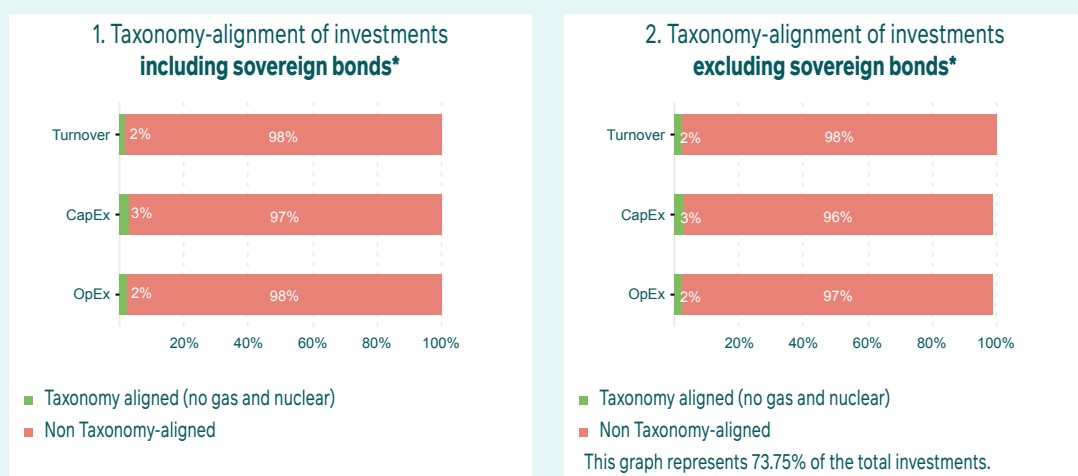
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 0.00% while the share of investments made in enabling activities was 0.81% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.81%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 2.09% in taxonomy-aligned investments. This is an increase on the previous reporting period's figure which was 0.90%.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 72.56%. This compares to a minimum percentage commitment of 30% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 22.91%. This compares to a minimum percentage commitment of 20% stated in the Fund's precontractual disclosure.



### What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held varying levels of cash, FX and FX forwards as “Other” investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

As part of the fund merger between the Fund and M&G (Lux) Conservative Allocation on 21 October 2022, two sanctioned Russian-listed securities were transferred into the beneficial ownership of the Fund. As both funds have been prohibited from selling these assets, they have remained in a custody account of M&G (Lux) Conservative Allocation.



### What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective.

For example, we met US-based semiconductor manufacturer, LAM Research, to encourage it to improve its diversity and inclusion practices throughout the organisation. We proposed that it increase its board gender diversity to bring it in line with our minimum expectations. The company has integrated diversity and inclusion into its strategy and places emphasis on fostering inclusion in order to retain and attract diverse talent. In 2022, board-level gender diversity stood at 40%, but subsequent changes to board composition resulted in a decrease to 27%. The company asserted that it was considering long-term strategies and aims to reinstate the previous level of board gender diversity. At the time of the engagement, the company's ethnic minority representation stood at 45%, surpassing a number of other companies.

We also liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We believe Novo Nordisk is doing all it can to prevent abuse of Wegovy.



### How did this financial product perform compared to the reference sustainable benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

### How did the reference benchmark differ from a broad market index?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Sustainable Emerging Markets Corporate Bond Fund  
**Legal Entity Identifier:** 2549007K6TQBRKISX148

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 51.97% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a strategy to achieve a Positive ESG Outcome (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that were considered to do significant harm to environmental and/or social objectives.

The Fund had a higher weighted average ESG rating and lower weighted average carbon intensity than an index used as a proxy for its investment universe ("Positive ESG Outcome"). The Fund's calculation methodology did not include those securities that do not have carbon intensity data respectively, or cash, near cash, some derivatives and some collective investment schemes. In constructing a portfolio which favours investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings remaining within the narrowed universe.

At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. No reference benchmark has been designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics. The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

**Sustainability indicators** measure how the environmental

### ● How did the sustainability indicators perform?

or social characteristics promoted by the financial product are attained.

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and strategy to achieve a Positive ESG Outcome were met nearly all of the time during the reference period. The Fund's exclusions were breached on one occasion. This was already reported in the previous periodic report.

Following changes to the Fund's ESG screening in October 2021, the Fund failed to sell a local currency government bond issued in Kazakhstan tenge, which had been bought prior to Freedom House screening being introduced. (Kazakhstan is an ESG-failing country, according to Freedom House rules, and by extension holding its currency is excluded.) The bond matured in May 2023, before the breach was detected, realising a gain for the Fund, and is no longer held by the Fund.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Sub-Fund's assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Weighted average carbon intensity (WACI) for the fund	83.35 tCO <sub>2</sub> e / €m sales	86.14%	79.96%
Weighted average carbon intensity (WACI) for the Investment Universe	644.78 tCO <sub>2</sub> e / €m sales	100.00%	86.18%
Portfolio weighted average ESG score for the fund	6.41 ESG Score	86.14%	72.86%
Portfolio weighted average ESG score for the Investment Universe	5.39 ESG Score	100.00%	82.89%
Percentage (%) of ABS below the Investment Manager's threshold for alignment	-	0.00%	0.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	6.37 ESG Score	86.40%	73.71%
Portfolio weighted average ESG score for the Investment Universe	5.25 ESG Score	93.01%	42.21%
Weighted average carbon intensity (WACI) for the fund	126.93 tCO <sub>2</sub> e / €m sales	86.40%	76.69%
Weighted average carbon intensity (WACI) for the Investment Universe	584.83 tCO <sub>2</sub> e / €m sales	93.10%	43.17%

- **...and compared to previous periods?**

The Fund's weighted average carbon intensity was lower in this reference period than in the previous period (see table above) and its weighted average ESG score was slightly higher (6.41 vs 6.37). Fund data coverage for both metrics was in line with the previous reference period, while investment universe data coverage was much higher for both the WACI and ESG score metrics.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 51.97% in sustainable investments in the current reference period, slightly below the percentage it held last in the previous reference period (61.08%).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
BOC AVIATION PTE LTD	Administrative and support service activities	1.85%	SG
TREASURY NOTE	Public administration and defence; compulsory social security	1.78%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.78%	US
TSMC GLOBAL LTD	Financial and insurance activities	1.59%	VG
PROSUS NV	Information and communication	1.41%	NL
BANCO NACIONAL DE COMERCIO EXTERIO	Financial and insurance activities	1.40%	MX
EASTERN AND SOUTHERN AFRICAN TRADE	Activities of extraterritorial organisations and bodies	1.37%	SP
TEVA PHARMACEUTICAL FINANCE NETHER	Financial and insurance activities	1.30%	NL
BANGKOK BANK PUBLIC CO LTD (HONG K	Financial and insurance activities	1.30%	HK
STANDARD CHARTERED PLC	Financial and insurance activities	1.30%	GB
LENOVO GROUP LTD	Manufacturing	1.28%	HK
OOREDOO INTERNATIONAL FINANCE LTD	Financial and insurance activities	1.17%	BM
COLOMBIA (REPUBLIC OF)	Public administration and defence; compulsory social security	1.15%	CO
MASHREQBANK PSC	Financial and insurance activities	1.15%	AE
BANK LEUMI LE ISRAEL BM	Financial and insurance activities	1.09%	IL



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 40% of the Fund to be in Sustainable Investments.

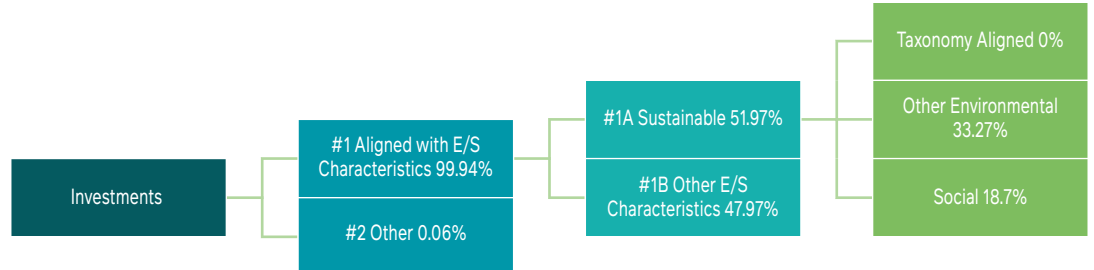
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.94% of NAV as at 31 March 2024. This comprised 51.97% of NAV in sustainable investments, and the remaining 47.97% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% was aligned to the EU Taxonomy, while 33.27% related to investments with other environmental characteristics, and 18.70% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	50.19%
Public administration and defence; compulsory social security	13.05%
Information and communication	9.86%
Manufacturing	7.92%
Electricity, gas, steam and air conditioning supply	3.28%
Mining and quarrying	3.01%
Administrative and support service activities	2.75%
Wholesale and retail trade; repair of motor vehicles and motorcycles	2.10%
Other	1.92%
Activities of extraterritorial organisations and bodies	1.82%
Real estate activities	1.79%
Transportation and storage	1.07%
Construction	0.61%
Accommodation and food service activities	0.42%
Water supply; sewerage, waste management and remediation activities	0.13%
Other service activities	0.09%





## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.04% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0.00%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.04%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

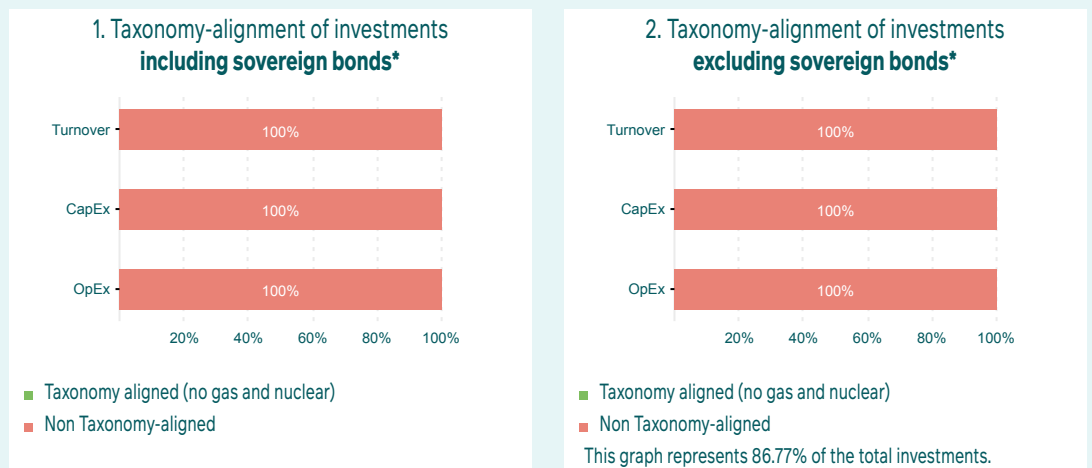
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and to enabling activities was 0.04%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.04%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

In the previous reference period, the share of the Fund's investments that were aligned with the EU Taxonomy was 0%, the same as in this reference period.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 33.27%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



- **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 18.70%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash and FX derivatives as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and met its strategy to achieve a Positive ESG Outcome. Its compliance with the same is reported in the sustainability indicators above.



- **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**  
N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**  
N/A
- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Sustainable Global High Yield Bond Fund  
**Legal Entity Identifier:** 222100FNZWQINHRH8058

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 66.31% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a strategy to achieve a Positive ESG Outcome (as defined below): The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that were considered to do significant harm to environmental and/or social objectives.

The Fund had a higher weighted average ESG rating and lower weighted average carbon intensity than an index used as a proxy for its investment universe ("Positive ESG Outcome"). The Fund's calculation methodology did not include those securities that do not have carbon intensity data respectively, or cash, near cash, some derivatives and some collective investment schemes. In constructing a portfolio which favours investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings remaining within the narrowed universe.

At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. No reference benchmark has been designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics. The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

**Sustainability indicators** measure how the environmental or social characteristics promoted

### ● How did the sustainability indicators perform?

by the financial product are attained.

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and strategy to achieve a Positive ESG Outcome were met nearly all of the time during the reference period. The Fund's exclusions were passively breached on one occasion.

The Fund held a bond from Nordic real estate company Samhallsbyggnadsbolaget i Norden (SBB), which saw its MSCI ESG rating downgraded to B. The Fund must hold securities with an MSCI ESG rating of at least BB. The bond was subsequently sold to bring the Fund back into compliance.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Sub-Fund's assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Weighted average carbon intensity (WACI) for the fund	135.41 tCO <sub>2</sub> e / €m sales	93.54%	89.50%
Weighted average carbon intensity (WACI) for the Investment Universe	347.75 tCO <sub>2</sub> e / €m sales	100.00%	84.37%
Portfolio weighted average ESG score for the fund	6.13 ESG Score	93.54%	83.30%
Portfolio weighted average ESG score for the Investment Universe	5.39 ESG Score	100.00%	79.33%
Percentage (%) of ABS below the Investment Manager's threshold for alignment	-	0.00	0.00

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Weighted average carbon intensity (WACI) for the fund	120.10 tCO <sub>2</sub> e / €m sales	89.54%	87.45%
Weighted average carbon intensity (WACI) for the Investment Universe	355.28 tCO <sub>2</sub> e / €m sales	91.13%	42.06%
Portfolio weighted average ESG score for the fund	6.13 ESG Score	89.54%	87.80%
Portfolio weighted average ESG score for the Investment Universe	5.21 ESG Score	93.13%	41%

- **...and compared to previous periods?**

The Fund's weighted average carbon intensity was higher in this reference period than in the previous period (see table above) while its weighted average ESG score was the same as it was in the previous period. Fund data coverage for both metrics was in line with the previous period, while investment universe data coverage was much higher for both the WACI and ESG score metrics.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager uses a series of proprietary tests based on available data to determine whether and how an investment makes positive contribution(s) towards environmental and social objectives.

The Fund held 66.31% in sustainable investments in the current reference period, slightly higher than the percentage it held in the previous period (63.66%).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
UNITED STATES DOLLAR	Other	2.13%	
EUROPEAN INVESTMENT BANK	Financial and insurance activities	1.54%	SP
EUROPEAN INVESTMENT BANK	Financial and insurance activities	1.52%	SP
FORD MOTOR COMPANY	Manufacturing	1.38%	US
TENET HEALTHCARE CORPORATION	Human health and social work activities	1.33%	US
TELECOM ITALIA SPA	Information and communication	1.32%	IT
CCO HOLDINGS LLC/CCO HOLDINGS CAPI	Information and communication	1.30%	US
IRON MOUNTAIN INC	Real estate activities	1.09%	US
COMMUNITY HEALTH SYSTEMS INC	Human health and social work activities	0.98%	US
VERISURE MIDHOLDING AB	Manufacturing	0.97%	SE
IQVIA INC	Professional, scientific and technical activities	0.91%	US
UNICREDIT SPA	Financial and insurance activities	0.90%	IT
AVANTOR FUNDING INC	Financial and insurance activities	0.90%	US
TRITON WATER HOLDINGS INC	Manufacturing	0.90%	US
FRONTIER COMMUNICATIONS HOLDINGS L	Financial and insurance activities	0.89%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 40% of the Fund to be in Sustainable Investments.

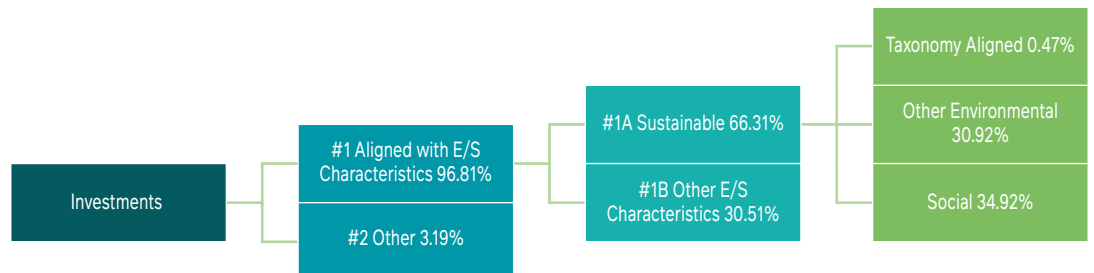
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 96.81% of NAV as at 31 March 2024. This comprised 66.31% of NAV in sustainable investments, and the remaining 30.51% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.47% was aligned to the EU Taxonomy, while 30.92% related to investments with other environmental characteristics, and 34.92% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	31.48%
Information and communication	19.66%
Manufacturing	16.10%
Other	6.72%
Administrative and support service activities	4.91%
Wholesale and retail trade; repair of motor vehicles and motorcycles	4.84%
Transportation and storage	4.34%
Human health and social work activities	3.69%
Real estate activities	2.31%
Professional, scientific and technical activities	1.75%
Construction	1.04%
Accommodation and food service activities	1.03%
Water supply; sewerage, waste management and remediation activities	1.00%
Mining and quarrying	0.54%
Other service activities	0.31%
Electricity, gas, steam and air conditioning supply	0.28%





### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.47%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.26% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0.02%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.26%
Climate Change Adaption	0.02%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

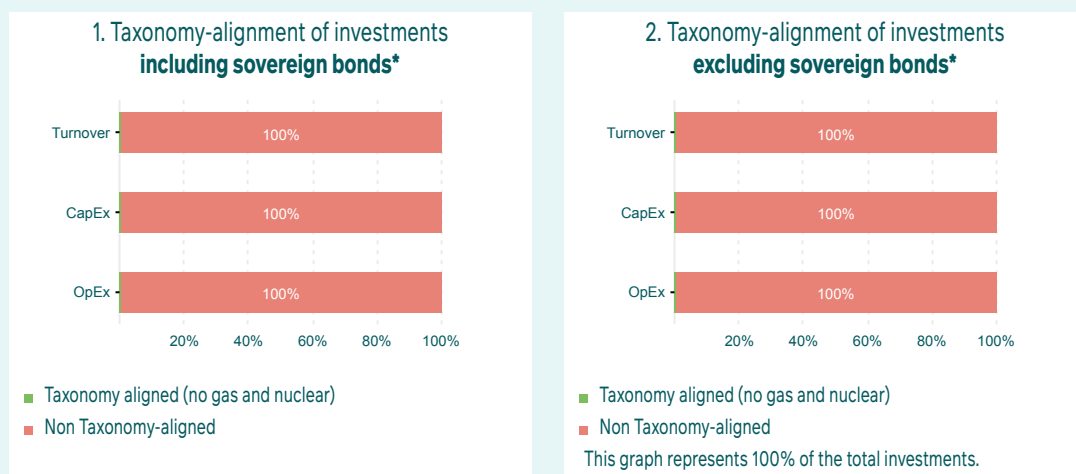
- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.05%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.05%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly higher than in the previous reference period. In the previous reference period, the share was 0.09%, compared to 0.47% in this reference period.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 30.92%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



**What was the share of socially sustainable investments?**

The share of socially sustainable investments was 34.92%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash and FX derivatives as “Other” investments, for any purpose permitted by the Fund’s investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund’s investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments’ alignment with the promoted characteristics.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and met its strategy to achieve a Positive ESG Outcome. Its compliance with the same is reported in the sustainability indicators above.



**How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund’s sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **How did the reference benchmark differ from a broad market index?**

N/A

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

● **How did this financial product perform compared with the reference benchmark?**

N/A

● **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Sustainable Macro Flexible Credit Fund  
**Legal Entity Identifier:** 254900MBYTIXGWFWM22

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.12% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a strategy to achieve a Positive ESG Outcome (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that were considered to do significant harm to environmental and/or social objectives.

The Fund had a higher weighted average ESG rating and lower weighted average carbon intensity than an index used as a proxy for its investment universe ("Positive ESG Outcome"). The Fund's calculation methodology did not include those securities that do not have carbon intensity data respectively, or cash, near cash, some derivatives and some collective investment schemes.

In constructing a portfolio which favours investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings remaining within the narrowed universe. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark has been designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and strategy to achieve a Positive ESG Outcome were met nearly all of the time during the reporting period.

The sustainability indicators to test its compliance with its Exclusionary Approach reveal that there were the following instances where the Exclusionary Approach was not followed: the Fund held two securities during the period which inadvertently breached the exclusionary approach following changes to internal compliance rules. Holding Electricite de France (EDF) breached our revenue thresholds for a company deriving revenue from a nuclear energy-based power generation and installed capacity associated with nuclear power generation while holding E.ON breached our exclusions on power generation from nuclear power. The holdings were subsequently sold to bring the Fund back into compliance.

In addition, the Fund passively breached by holding bonds from Akelius Residential Property and Nordic real estate company Samhallsbyggnadsbolaget i Norden (SBB), which saw their MSCI ESG ratings downgraded. The Fund must hold securities with an MSCI ESG rating of at least BB. The bonds were subsequently sold to bring the Fund back into compliance.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Sub-Fund's assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Weighted average carbon intensity (WACI) for the fund	67.53 tCO <sub>2</sub> e / €m sales	64.84%	93.47%
Weighted average carbon intensity (WACI) for the Investment Universe	260.97 tCO <sub>2</sub> e / €m sales	72.78%	89.71%
Portfolio weighted average ESG score for the fund	7.19 ESG Score	64.84%	87.71%
Portfolio weighted average ESG score for the Investment Universe	6.45 ESG Score	72.78%	87.04%
Percentage (%) of ABS below the Investment Manager's threshold for alignment	0.00%	2.10%	100.00%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Portfolio weighted average ESG score for the fund	7.15 ESG Score	56.98%	68.96%
Portfolio weighted average ESG score for the Investment Universe	6.13 ESG Score	52.68%	28.47%
Weighted average carbon intensity (WACI) for the fund	82.96 tCO <sub>2</sub> e / €m sales	56.98%	70.72%
Weighted average carbon intensity (WACI) for the Investment Universe	271.92 tCO <sub>2</sub> e / €m sales	52.67%	29.20%

#### ● ...and compared to previous periods?

The Fund's weighted average carbon intensity was lower in this reference period compared to the previous period (see table above) while its weighted average ESG score was slightly higher than in the previous reference period. Fund data coverage for both metrics was higher than it was in the previous reference period, while investment universe data coverage was much higher for both the WACI and ESG score metrics.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager uses a series of proprietary tests based on available data to determine whether and how an investment makes positive contribution(s) towards environmental and social objectives.

The Fund held 59.12% in sustainable investments in the current reference period, lower than the percentage it held in the previous reference period (67.57%).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	1.24%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.00%	FR
MEXICO (UNITED MEXICAN STATES) (GO	Public administration and defence; compulsory social security	0.95%	MX
TREASURY NOTE	Public administration and defence; compulsory social security	0.82%	US
	Other	0.61%	
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	0.58%	DE
UK CONV GILT	Public administration and defence; compulsory social security	0.58%	GB
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	0.55%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	0.54%	DE
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	0.53%	GB
TREASURY BOND	Public administration and defence; compulsory social security	0.50%	US
EURO	Other	0.46%	
NEW ZEALAND (GOVERNMENT OF)	Public administration and defence; compulsory social security	0.45%	NZ
TREASURY NOTE	Public administration and defence; compulsory social security	0.45%	US
ITALY (REPUBLIC OF)	Public administration and defence; compulsory social security	0.43%	IT



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 51% of the Fund to be in Sustainable Investments.

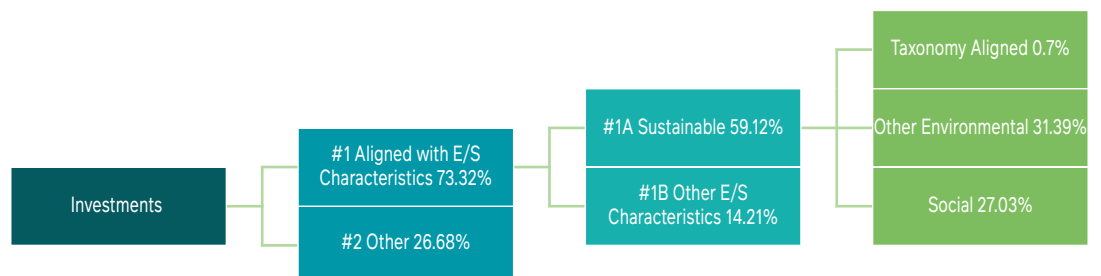
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 73.32% of NAV as at 31 March 2024. This comprised 59.12% of NAV in sustainable investments, and the remaining 14.21% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.7% was aligned to the EU Taxonomy, while 31.39% related to investments with other environmental characteristics, and 27.03% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



- **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	48.50%
Public administration and defence; compulsory social security	13.18%
Other	13.04%
Manufacturing	7.54%
Information and communication	4.24%
Real estate activities	3.17%
Electricity, gas, steam and air conditioning supply	1.88%
Transportation and storage	1.61%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.49%
Activities of extraterritorial organisations and bodies	1.28%
Professional, scientific and technical activities	1.24%
Administrative and support service activities	1.11%
Human health and social work activities	0.52%
Accommodation and food service activities	0.42%
Construction	0.38%
Other service activities	0.21%
Water supply; sewerage, waste management and remediation activities	0.15%
Arts, entertainment and recreation	0.03%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.7%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.84% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0.01%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.84%
Climate Change Adaptation	0.01%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

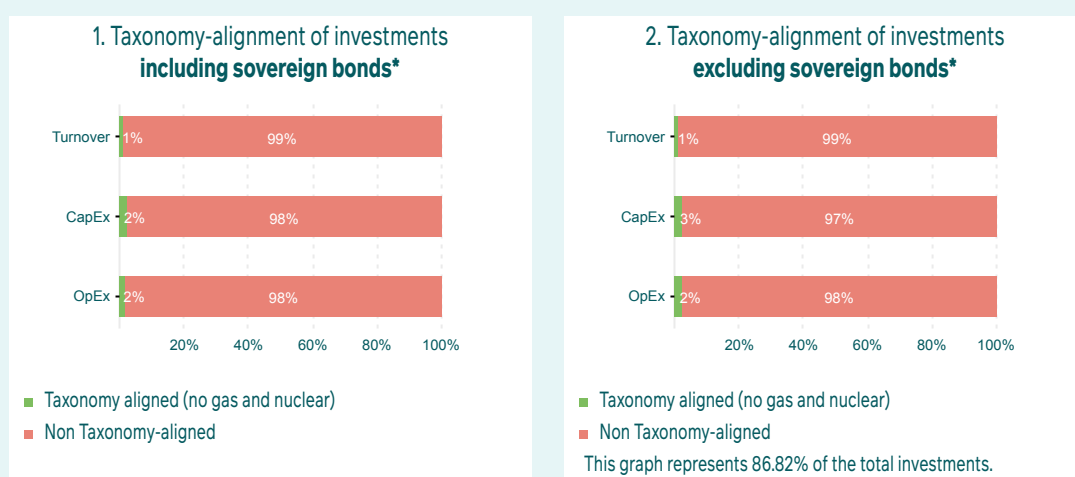
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.04% and to enabling activities was 0.39%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.04%
Share of Enabling Activities	0.39%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly higher than in the previous reference period. In the previous reference period, the share was 0%, compared to 0.7% in this reference period.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 31.39%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 27.03%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash, FX derivatives and interest rate derivatives as “Other” investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and met its strategy to achieve a Positive ESG Outcome. Its compliance with the same is reported in the sustainability indicators above.



### **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Sustainable Multi Asset Growth Fund  
**Legal Entity Identifier:** 254900DTG2UFJ7LAT088

## Sustainable investment objective

### Did this financial product have a sustainable investment objective?

● ●  Yes ● ●  No

It made **sustainable investments with an environmental objective: 70%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: 26.98%**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent was the sustainable investment objective of this financial product met?

The fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation was 2.59%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation was 0%.

There is no data available for the following environmental objectives: pollution prevention and control, protection and restoration of biodiversity and ecosystems, transition to circular economy, and sustainable use and protection of water and marine resources.

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

All investments purchased for the Fund were in compliance with the sustainable investment objective save for as permitted under the "Other" Investments allocation.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

#### ● How did the sustainability indicators perform?

As part of the climate focus of the fund, we aim to assess our holdings on both their current carbon emissions/ emission intensity and on their climate transparency, governance and ambition as represented by clear reduction targets.

It is encouraging to see that a significant proportion of corporate issuers (47.58%) held by the fund now have

ratified science-based targets. Science-based targets provide companies with a clear roadmap for reducing their emissions; targets must be consistent with what the most recent climate science considers necessary to meet the aims of the Paris Agreement.

In the reference period, positive impact assets constituted nearly half of the fund's NAV (44.49%). Examples of positive impact investments include Novo Nordisk, Ørsted and SolarEdge. Novo Nordisk's therapeutics are helping to fight and mitigate the impact of diabetes and obesity on patients' lives. Meanwhile, Ørsted and SolarEdge are both contributing to the clean energy transition; the former has expertise in wind power while the latter supplies solar inverters for solar energy production.

The fund has also invested in green bonds, including a Colombian green bond and a Chilean green bond. The Colombian green bond has been issued to fund projects related to sustainable water management, clean and sustainable transport, and ecosystem services and biodiversity. The Chilean green bond has been issued to fund green projects in areas such as clean transportation and renewable energy.

The number of underserved people reached by the fund's holdings stood at 333.34 million people for the reference period. Helios Towers and Bank Rakyat Indonesia are examples of investments in this area. Bank Rakyat Indonesia (BRI) provides financial services to micro, small and medium-sized enterprises (MSMEs). Its focus on MSMEs enables it to reach typically underserved markets. Meanwhile, Helios Towers helps expand access to mobile and communication services, with a notable footprint in Sub-Saharan Africa.

The fund's weighted average carbon emissions intensity (WACI) is declining and now stands at 62.36 t CO<sub>2</sub>e. This reflects the decisions made in the investment process, as well as the fact that climate data is increasingly accessible (facilitating decision-making). The fund also holds several investments in renewable energy infrastructure and solution providers.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Change in CO2 emissions intensity over the previous three year period CAGR Corporate	-8.00 CAGR 3Y	85.52%	86.16%
Change in CO2 emissions intensity over the previous three year period CAGR Sovereign	-3.83 CAGR 3Y	9.28%	62.17%
Percentage (%) of sovereigns party to the Paris Agreement	62.17%	9.28%	62.17%
Weighted average carbon intensity (WACI) for the fund	78.79 tCO2e /€m Sales	85.52%	91.35%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	33.71%	92.20%	61.30%
Percentage (%) of corporate issuers participating in the Carbon Disclosure Project (CDP)	78.92%	85.52%	92.69%
Tonnes of CO2 emissions avoided by positive impact investments	399575143 tCO2e	92.20%	20.80%
Percentage (%) of sovereign ranked above the Social Progress Index (SPI) Global Average, which assesses how well a society provides its people with material needs, and does not have a negative 5 year trend	100%	9.28%	100%
Number of underserved people reached including patients treated, customers served etc. by positive impact investments	248 Million People	92.20%	38.12%
Percentage (%) of NAV invested in positive impact assets in the Fund	46%	100%	100%
Percentage (%) of corporate issuers with ratified Science-Based Targets under the Science Based Target Initiative (SBTi) or an equivalent as assessed by the Investment Manager (corporate).	46.0%	-	-

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Percentage (%) of NAV invested in positive impact assets in the Fund	44.49%	100%	100%
Percentage (%) of sovereigns party to the Paris Agreement	99.29%	10.75%	99.29%
Percentage (%) of sovereign ranked above the Social Progress Index (SPI) Global Average, which assesses how well a society provides its people with material needs, and does not have a negative 5 year	100%	10.75%	100%
Weighted average carbon intensity (WACI)	62.36 tCO2e / €m sales	84.59%	92.78%
Change in CO2 emissions intensity over the previous three year period (compounded annualised growth rate over last three years) (corporate and sovereigns)	-7.14 CAGR 3Y	84.59%	83.97%
Change in CO2 emissions intensity over the previous three year period (compounded annualised growth rate over last three years) (corporate and sovereigns)	-3.06 CAGR 3Y	10.75%	99.29%
Percentage (%) of corporate issuers participating in the Carbon Disclosure Project (CDP)	80.92%	84.59%	92.78%
Tonnes of CO2 emissions avoided by positive impact investments	475518348.05 tCO2e	100%	20.00%
Percentage (%) of corporate issuers with ratified Science-Based Targets under the Science Based Target Initiative (SBTi) or an equivalent as assessed by the Investment Manager (corporate).	53.8%	84.04%	82.90%
Number of underserved people reached including patients treated, customers served etc. by positive impact investments	333.34 Million People	100%	35.20%

- **...and compared to previous periods?**

In the current reference period, the percentage of corporate issuers with ratified science-based targets was 47.58%. This is a slight decrease on the previous reference period's percentage which was 49.6%.

In the reference period, the fund's positive impact investments avoided 475518348.05 t CO<sub>2</sub>e, an increase on the previous reporting period's figure, which was 399575143 t CO<sub>2</sub>e.

In the previous reporting period, 46% of the fund's NAV was invested in positive impact assets; this figure fell to 44.49% in the reference period.

The fund's weighted average carbon emission intensity (WACI) was 62.36 t CO<sub>2</sub>e in the reference period, a decrease on the previous reporting period's WACI which was 78.79 t CO<sub>2</sub>e.

In the reference period, 333.34 million underserved people were reached by the fund's holdings, an increase on the previous reporting period's figure of 248 million people.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represented significant exposure to businesses the Investment Manager considered harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators forming part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments were also required to pass tests to confirm they did no significant harm, as described above. These tests embedded a consideration of the OECD Guidelines and UN Guiding Principles.



### **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.28%	DE
OCTOPUS RENEWABLES INFRASTRUCTURE	Financial and insurance activities	1.88%	GB
THE RENEWABLES INFRASTRUCTURE GROUP	Financial and insurance activities	1.83%	GG
GREENCOAT RENEWABLES PLC	Financial and insurance activities	1.70%	IE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.57%	DE
TELEFONICA SA	Information and communication	1.53%	ES
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	1.36%	SP
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	1.29%	GB
ASSICURAZIONI GENERALI	Financial and insurance activities	1.07%	IT
SCHNEIDER ELECTRIC	Manufacturing	1.06%	FR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.05%	DE
BANK OF GEORGIA GROUP PLC	Financial and insurance activities	1.03%	GE
ASE TECHNOLOGY HOLDING LTD	Manufacturing	1.03%	TW
COCHLEAR LTD	Manufacturing	1.03%	AU
SAP	Information and communication	1.02%	DE



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be invested in sustainable investments, in pursuit of the sustainable investment objective, with at least 20% in sustainable investments with a social objective and at least 30% in sustainable investments with an environmental objective.

As of 31 March 2024, 96.98% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 70%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 3.03% of the sustainable investments were aligned to the EU Taxonomy. 70.00% related to investments with environmental objectives and 26.98% related to investments with a social objective.

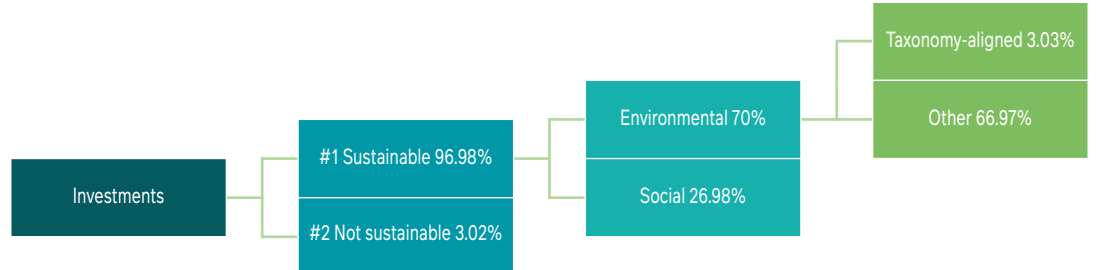
3.02% of the Fund was comprised of "not sustainable" investments (cash, FX and FX forwards).

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	31.05%
Financial and insurance activities	27.80%
Public administration and defence; compulsory social security	10.75%
Information and communication	8.59%
Activities of extraterritorial organisations and bodies	4.11%
Electricity, gas, steam and air conditioning supply	3.87%
Real estate activities	3.15%
Human health and social work activities	2.51%
Construction	2.25%
Other	1.94%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.62%
Water supply; sewerage, waste management and remediation activities	1.00%
Education	0.63%
Professional, scientific and technical activities	0.56%
Administrative and support service activities	0.16%



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 3.03% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of the fund's investments that contributed to the environmental objective of climate mitigation (EU taxonomy) was 2.59%. The percentage of the fund's investments that contributed to the environmental objective of climate adaptation (EU taxonomy) was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	2.5%
Climate Change Adaptation	0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

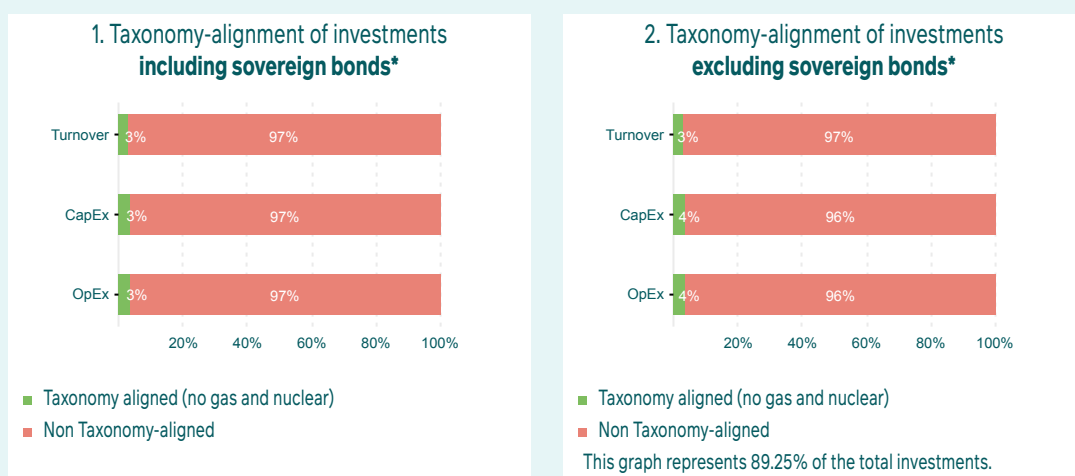
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures


● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 0.02% while the share of the Fund's investments made in enabling activities was 1.25% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of transitional activities	0.02%
Share of enabling activities	1.25%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

During the reference period, the Fund held 3.03% in taxonomy-aligned investments. This is an increase on the previous reporting period's figure which was 1.35%.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 66.97%. This compares to a minimum percentage commitment of 30% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 26.98%. This compares to a minimum percentage commitment of 20% stated in the Fund's precontractual disclosure.



### What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held varying levels of cash, FX and FX forwards as “Other” investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.



### What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective.

For example, we met US-based semiconductor manufacturer, LAM Research, to encourage it to improve its diversity and inclusion practices throughout the organisation. We proposed that it increase its board gender diversity to bring it in line with our minimum expectations. The company has integrated diversity and inclusion into its strategy and places emphasis on fostering inclusion in order to retain and attract diverse talent. In 2022, board-level gender diversity stood at 40%, but subsequent changes to board composition resulted in a decrease to 27%. The company asserted that it was considering long-term strategies and aims to reinstate the previous level of board gender diversity. At the time of the engagement, the company's ethnic minority representation stood at 45%, surpassing a number of other companies.

We also liaised with Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI). We believe Novo Nordisk is doing all it can to prevent abuse of Wegovy.



### How did this financial product perform compared to the reference sustainable benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

- **How did the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** M&G (Lux) Sustainable Optimal Income Bond Fund  
**Legal Entity Identifier:** 254900JKCO00UZ0A2X81

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

**No**

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 62.61% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a strategy to achieve a Positive ESG Outcome (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that were considered to do significant harm to environmental and/or social objectives.

The Fund had a higher weighted average ESG rating and lower weighted average carbon intensity than an index used as a proxy for its investment universe ("Positive ESG Outcome"). The Fund's calculation methodology did not include those securities that do not have carbon intensity data respectively, or cash, near cash, some derivatives and some collective investment schemes.

In constructing a portfolio which favours investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings remaining within the narrowed universe. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark has been designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and

"Other" Investments.

**Sustainability indicators**

measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and strategy to achieve a Positive ESG Outcome were met nearly all of the time during the reporting period.

The sustainability indicators to test its compliance with its Exclusionary Approach reveal that there were the following instances where the Exclusionary Approach was not followed: the Fund held two securities during the period which inadvertently breached the exclusionary approach following changes to internal compliance rules.

Holding Electricite de France (EDF) breached our revenue thresholds for a company deriving revenue from a nuclear energy-based power generation and installed capacity associated with nuclear power generation while holding E.ON breached our exclusions on power generation from nuclear power. The holdings were subsequently sold to bring the Fund back into compliance.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Sub-Fund's assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
Weighted average carbon intensity (WACI) for the fund	50.29 tCO2e / €m sales	53.09%	89.88%
Weighted average carbon intensity (WACI) for the Investment Universe	96.03 tCO2e / €m sales	58.98%	94.67%
Portfolio weighted average ESG score for the fund	7.38 ESG Score	53.09%	85.43%
Portfolio weighted average ESG score for the Investment Universe	6.53 ESG Score	58.98%	94.18%

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2023</b>			
Weighted average carbon intensity (WACI) for the fund	55.13 tCO2e / €m sales	64.34%	91.60%
Weighted average carbon intensity (WACI) for the Investment Universe	90.81 tCO2e / €m sales	62.99%	47.82%
Portfolio weighted average ESG score for the fund	7.22 ESG Score	64.34%	90.54%
Portfolio weighted average ESG score for the Investment Universe	6.49 ESG Score	62.99%	47.84%

● **...and compared to previous periods?**

The Fund's weighted average carbon intensity was lower in this reference period than in the previous reference period (see table above) while its weighted average ESG score was higher in this reference period versus in the previous period. Fund data coverage for both metrics was in line with the previous reference period, while investment universe data coverage was much higher for both the WACI and ESG score metrics.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager uses a series of proprietary tests based on available data to determine whether and how an investment makes positive contribution(s) towards environmental and social objectives.

The Fund held 62.61% in sustainable investments in the current reference period, lower than the percentage it held in the previous reference period (67.29%).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



- **How did this financial product consider principal adverse impacts on sustainability factors?**

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
TREASURY NOTE	Public administration and defence; compulsory social security	4.06%	US
TREASURY NOTE	Public administration and defence; compulsory social security	3.47%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.81%	FR
TREASURY NOTE	Public administration and defence; compulsory social security	2.50%	US
UK CONV GILT	Public administration and defence; compulsory social security	2.28%	GB
UNITED KINGDOM OF GREAT BRITAIN AN	Public administration and defence; compulsory social security	2.22%	GB
UK CONV GILT	Public administration and defence; compulsory social security	2.18%	GB
UK CONV GILT	Public administration and defence; compulsory social security	2.08%	GB
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.71%	FR
TREASURY BOND	Public administration and defence; compulsory social security	1.67%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.38%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.36%	FR
TREASURY BOND	Public administration and defence; compulsory social security	1.12%	US
UK CONV GILT	Public administration and defence; compulsory social security	0.89%	GB
UK CONV GILT	Public administration and defence; compulsory social security	0.83%	GB



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 51% of the Fund to be in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 91.28% of NAV as at 31 March 2024. This comprised 62.61% of NAV in sustainable investments, and the remaining 28.68% of NAV in investments with other environmental and or social characteristics.

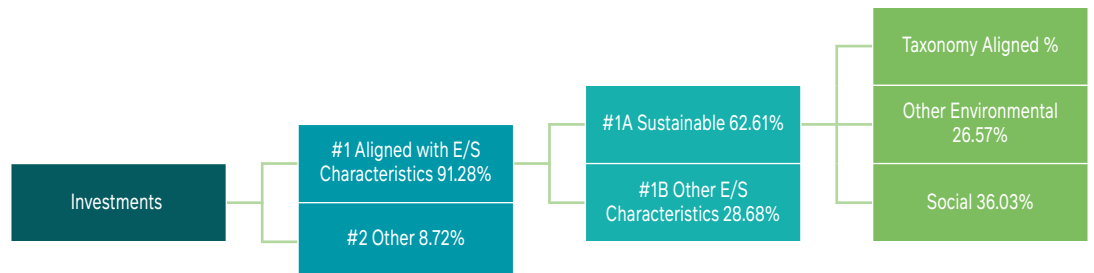
Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% was aligned to the EU Taxonomy, while 26.57% related to investments with other environmental characteristics, and 36.03% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.





**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic Sector	% Assets
Financial and insurance activities	41.63%
Public administration and defence; compulsory social security	39.25%
Other	6.01%
Information and communication	3.94%
Manufacturing	2.90%
Activities of extraterritorial organisations and bodies	2.11%
Electricity, gas, steam and air conditioning supply	1.13%
Administrative and support service activities	0.64%
Real estate activities	0.59%
Accommodation and food service activities	0.53%
Human health and social work activities	0.34%
Construction	0.28%
Transportation and storage	0.22%
Water supply; sewerage, waste management and remediation activities	0.20%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.20%
Professional, scientific and technical activities	0.04%



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0.28% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.28%
Climate Change Adaptation	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

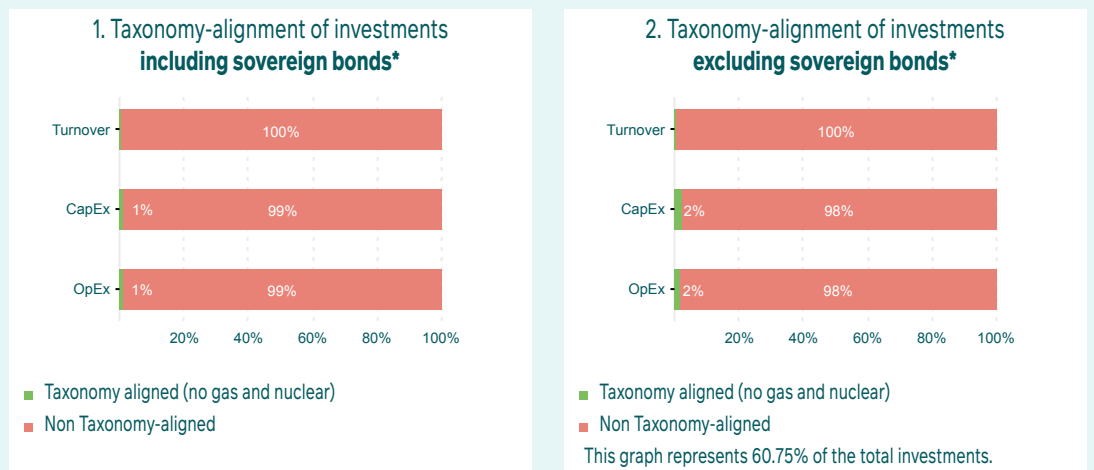
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.05% and to enabling activities was 0.07%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.05%
Share of Enabling Activities	0.07%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned to EU Taxonomy was slightly lower than it was in the previous reference period. In the previous reference period, the share was 0.32%, compared to 0% in this reference period.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 26.57%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



- **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 36.03%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash, interest rate and FX and derivatives as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and met its strategy to achieve a Positive ESG Outcome. Its compliance with the same is reported in the sustainability indicators above.



- **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**  
N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**  
N/A
- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 – M&G (Lux) TAP Global Listed Infrastructure Fund  
**Legal Entity Identifier:** 2549003UF6Z6PBHCNI58

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective:**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.7% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and it made investments that are SDG-aligned (as defined below): The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes ("Exclusionary Approach").

The Fund considered the UN Sustainable Development Goals (SDGs) as part of its investment process and the sustainability themes considered by the Investment Manager are based on the SDGs as a relevant framework to measure contribution to sustainability factors ("SDG-alignment").

8.27% of the Fund's investments by value were SDG-aligned. 99.05% of the Fund's investments by value were in investments considered by the Investment Manager to be related to sustainability themes.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics. The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance). The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and SDG-alignment were met at all times during the reporting period.

Please see the below table for an overview of the Funds' performance relative to its sustainability indicator. The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability indicator name	Value	Eligibility	Coverage
<b>As at - 31 March 2024</b>			
SDG-alignment: Percentage (%) of investments by value that is SDG-aligned	8.27%	100%	9.75%

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 59.70% in sustainable investments in the current reference period.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions. The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



### How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allowed the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 16/11/2023 to 31/03/2024

Largest investments	Sector	% Assets	Country
CROWN CASTLE INC	Real estate activities	3.98%	US
ALEXANDRIA REAL ESTATE EQUITIES RE	Real estate activities	3.93%	US
SEGRO REIT PLC	Real estate activities	3.69%	GB
AES CORP	Electricity, gas, steam and air conditioning supply	3.52%	US
AMERICAN TOWER REIT CORP	Real estate activities	3.49%	US
TC ENERGY CORP	Transportation and storage	3.46%	CA
GIBSON ENERGY INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.20%	CA
TRANSURBAN GROUP STAPLED UNITS	Transportation and storage	3.00%	AU
EQUINIX REIT INC	Information and communication	2.98%	US
ENEL	Electricity, gas, steam and air conditioning supply	2.97%	IT
EVERSOURCE ENERGY	Electricity, gas, steam and air conditioning supply	2.92%	US
NEXTERA ENERGY PARTNERS UNITS	Electricity, gas, steam and air conditioning supply	2.60%	US
ENBRIDGE INC	Transportation and storage	2.51%	CA
EDISON INTERNATIONAL	Electricity, gas, steam and air conditioning supply	2.49%	US
KEYERA CORP	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.49%	CA



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 51% of the Fund to be in Sustainable Investments.

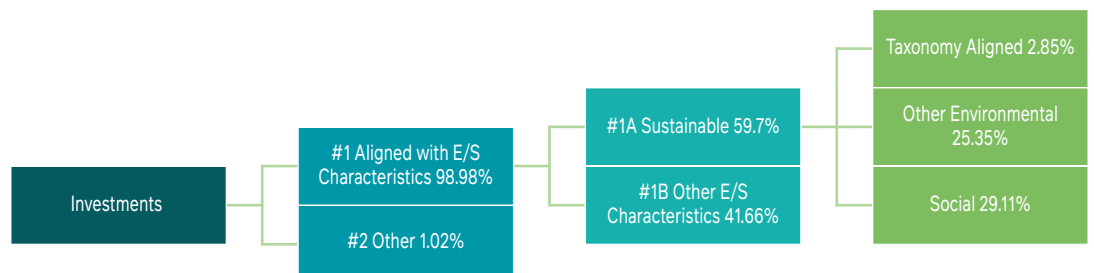
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 99.05% of NAV as at 31 March 2024. This comprised 59.70% of NAV in sustainable investments, and the remaining 39.35% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 4.82% were aligned to the EU Taxonomy. 25.63% related to investments with other environmental characteristics, and 29.26% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

## What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

## In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Electricity, gas, steam and air conditioning supply	29.39%
Transportation and storage	19.65%
Real estate activities	16.57%
Financial and insurance activities	12.88%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.68%
Information and communication	5.46%
Construction	4.46%
Water supply; sewerage, waste management and remediation activities	2.77%
Mining and quarrying	1.99%
Other	1.14%





## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 4.82%.

This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

The percentage of contribution from climate change mitigation was 8.16% while climate change adaptation contributed 0%.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	8.16%
Climate Change Adaptation	0.0%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

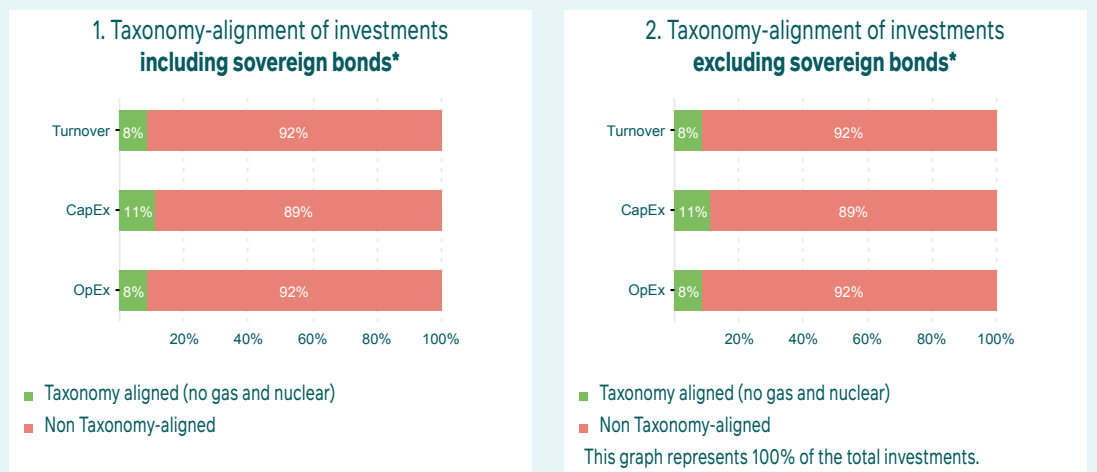
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas                       In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0.02% and in enabling activities 4.35%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.02%
Share of Enabling Activities	4.35%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product's first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 25.63%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.

- **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 29.26%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash and money market funds, and securitised assets as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach and it made investments that are SDG-aligned. Its compliance with the same is reported in the sustainability indicators above.



- **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective. Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**  
N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**  
N/A
- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) US Corporate Bond Fund  
**Legal Entity Identifier:** 254900V2TFULR3C7HN68

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 53.29% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

#### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach met at all times during the reporting period. As the fund launched on 19 March 2024, the reporting period runs from 19 March 2024 to 31 March 2024.

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 53.29% in sustainable investments as at 31 March 2024.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions. The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: to 31/03/2024

Largest investments	Sector	% Assets	Country
TREASURY NOTE	Public administration and defence; compulsory social security	3.16%	US
TREASURY NOTE	Public administration and defence; compulsory social security	3.15%	US
TREASURY NOTE	Public administration and defence; compulsory social security	2.35%	US
TREASURY BOND	Public administration and defence; compulsory social security	2.22%	US
TREASURY BOND	Public administration and defence; compulsory social security	1.52%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.39%	US
MORGAN STANLEY	Financial and insurance activities	1.37%	US
STANDARD CHARTERED PLC	Financial and insurance activities	1.30%	GB
mitsubishi UFJ FINANCIAL GROUP INC	Financial and insurance activities	1.10%	JP
TREASURY NOTE	Public administration and defence; compulsory social security	1.05%	US
TREASURY BOND	Public administration and defence; compulsory social security	1.05%	US
BPCE SA	Financial and insurance activities	1.00%	FR
JPMORGAN CHASE & CO	Financial and insurance activities	0.99%	US
BARCLAYS PLC	Financial and insurance activities	0.97%	GB
CITIGROUP INC	Financial and insurance activities	0.94%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

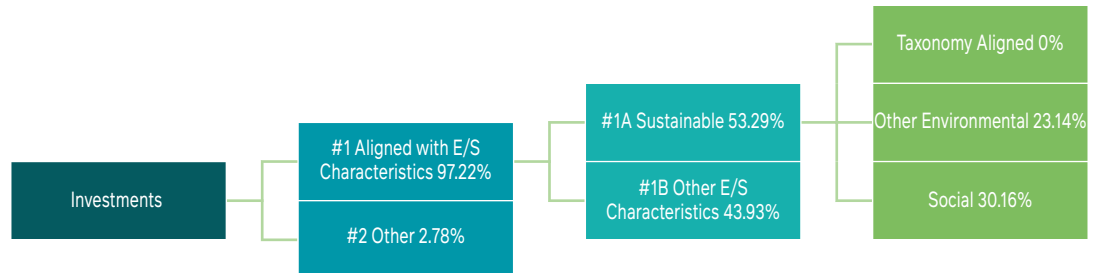
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.22% of NAV as at 31 March 2024. This comprised 53.29% of NAV in sustainable investments, and the remaining 43.93% of NAV in investments with other environmental and or social characteristics.

The Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy, while 23.14% related to investments with other environmental characteristics, and 30.16% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

- **What was the asset allocation?**

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Financial and insurance activities	38.38%
Public administration and defence; compulsory social security	15.88%
Manufacturing	11.82%
Electricity, gas, steam and air conditioning supply	7.32%
Information and communication	6.65%
Mining and quarrying	4.34%
Transportation and storage	4.26%
Other	2.83%
Real estate activities	2.23%
Human health and social work activities	1.83%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.43%
Accommodation and food service activities	0.80%
Administrative and support service activities	0.69%
Water supply; sewerage, waste management and remediation activities	0.69%
Professional, scientific and technical activities	0.61%
Construction	0.23%



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. As the fund launched on 19 March 2024, the reference period covers the timeframe of 19 March 2024 to 31 March 2024. This percentage is determined by taking the quarter end figure (i.e. 31 March 2024). The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.00%
Climate Change Adaption	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

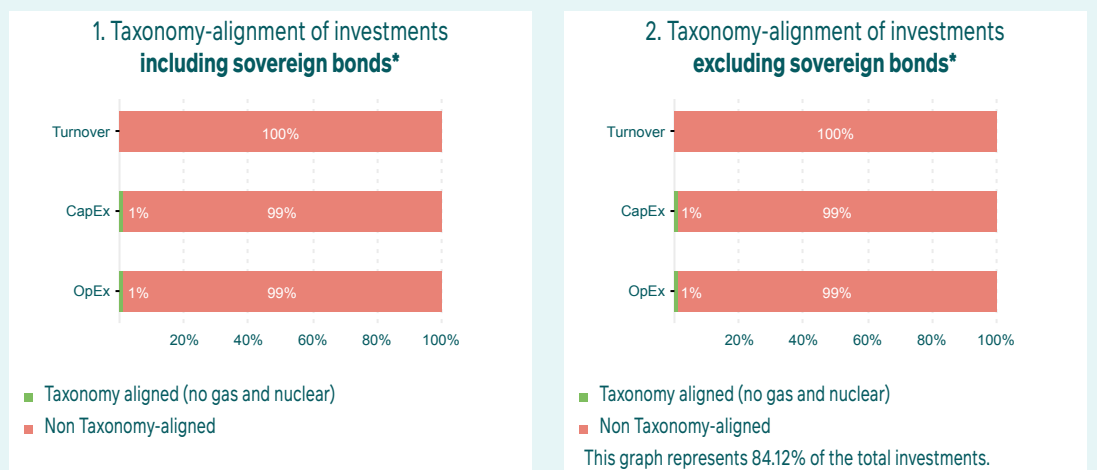
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas                       In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures



- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and to enabling activities was 0%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure. (Reference period runs from 19 March 2024 to 31 March 2024).

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.00%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product's first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 23.14%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.

- **What was the share of socially sustainable investments?**

The share of socially sustainable investments was 30.16%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

During the reference period the Fund held cash, near cash, derivatives and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied. Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.

- **How did this financial product perform compared to the reference benchmark?**

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective. Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A.

- **How did this financial product perform compared with the reference benchmark?**

N/A.

- **How did this financial product perform compared with the broad market index?**

N/A.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product Name:** M&G (Lux) Investment Funds 1 - M&G (Lux) US High Yield Bond Fund  
**Legal Entity Identifier:** 254900SHYE2QO55Q4Z34

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes
  No

It made **sustainable investments with an environmental objective:**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 34.46% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

### Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

#### ● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met nearly all of the time during the reporting period. As the fund launched on 21 March 2024, the reporting period runs from 21 March 2024 to 31 March 2024.

There was one advertent breach during the period. The fund held HilCorp Energy which had 18% of revenues deriving from Arctic range exploration and production. The maximum percentage permitted is 10%; the fund manager subsequently sold the position but this sale took place in May, after the end of the review period.

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report disclosure. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment. The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

The Fund held 34.46% in sustainable investments as at 31 March 2024.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they were required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions. The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: to 31/03/2024

Largest investments	Sector	% Assets	Country
PG&E CORPORATION	Electricity, gas, steam and air conditioning supply	1.29%	US
TALEN ENERGY SUPPLY LLC	Electricity, gas, steam and air conditioning supply	1.24%	US
VIKING CRUISES LTD	Transportation and storage	1.19%	BM
SPRINT CORP	Information and communication	1.17%	US
PRESTIGE BRANDS INC	Manufacturing	1.11%	US
FORD MOTOR CREDIT COMPANY LLC	Financial and insurance activities	1.08%	US
HCA INC	Human health and social work activities	1.07%	US
CEMEX SAB DE CV	Manufacturing	1.07%	MX
JAZZ SECURITIES DAC	Financial and insurance activities	1.02%	IE
BCPE EMPIRE TOPCO INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	1.01%	US
ROYAL CARIBBEAN CRUISES LTD	Transportation and storage	0.99%	LR
COMSTOCK RESOURCES INC	Mining and quarrying	0.98%	US
NCL CORPORATION LTD	Transportation and storage	0.98%	BM
APX GROUP INC	Financial and insurance activities	0.97%	US
POST HOLDINGS INC	Manufacturing	0.95%	US



## What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

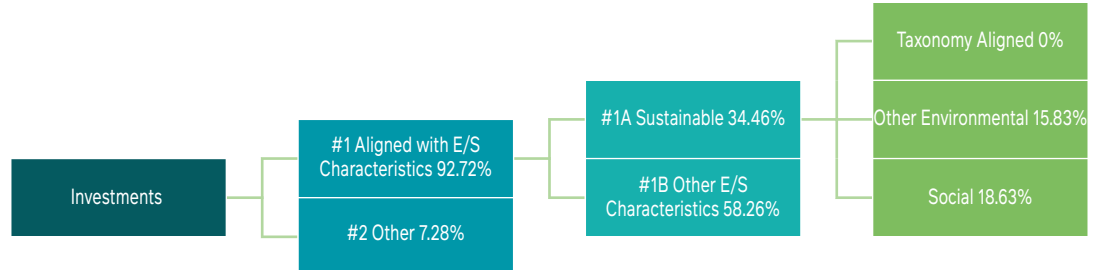
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 92.72% of NAV as at 31 March 2024. This comprised 34.46% of NAV in sustainable investments, and the remaining 58.26% of NAV in investments with other environmental and or social characteristics.

The Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy, while 15.83% related to investments with other environmental characteristics, and 18.63% related to socially sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

The graphic below provides an overview of the asset allocation.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	15.65%
Financial and insurance activities	14.85%
Information and communication	11.41%
Other	9.53%
Mining and quarrying	9.50%
Transportation and storage	7.89%
Administrative and support service activities	7.74%
Wholesale and retail trade; repair of motor vehicles and motorcycles	7.61%
Human health and social work activities	4.98%
Electricity, gas, steam and air conditioning supply	4.20%
Real estate activities	2.57%
Construction	1.98%
Water supply; sewerage, waste management and remediation activities	1.40%
Accommodation and food service activities	0.69%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives. The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. As the fund launched on 21 March 2024, the reference period covers the timeframe of 21 March 2024 to 31 March 2024.

This percentage is determined by taking the quarter end figure (i.e. 31 March 2024). The information was obtained from public disclosures. No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

The percentage of contribution to the taxonomy-aligned climate change mitigation in the current reference period was 0% while the percentage of contribution to the taxonomy-aligned climate change adaptation was 0%.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	0.00%
Climate Change Adaption	0.00%

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

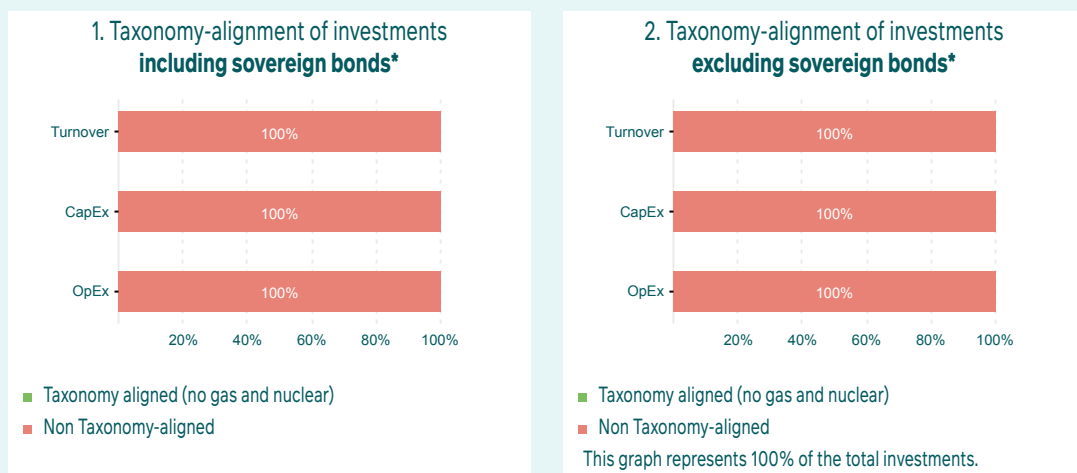
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities over the period was 0% and to enabling activities was 0%. This compares to a minimum percentage commitment of 0% to both stated in the Sub-Fund's precontractual disclosure. (Reference period runs from 21 March 2024 to 31 March 2024).

Activity	Percentage Investments
Share of Transitional Activities	-%
Share of Enabling Activities	-%

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The product is not yet able to provide comparison to a previous reporting period as this is the product's first SFDR Level 2 Periodic Report disclosure. The product will provide historic comparison in the next Periodic Report.



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 15.83%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



### What was the share of socially sustainable investments?

The share of socially sustainable investments was 18.63%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied. Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.



### How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

N/A.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A.

- **How did this financial product perform compared with the reference benchmark?**

N/A.

- **How did this financial product perform compared with the broad market index?**

N/A.



