Issued by M&G Securities Limited

M&G Investment Funds (4)

Prospectus

15 February 2021

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Important information for investors

This document constitutes the Prospectus for M&G INVESTMENT FUNDS (4) (the 'Company') which has been prepared in accordance with the Open-Ended Investment Companies Regulations 2001 and the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of its Handbook of Rules and Guidance.

The Prospectus is dated and is valid as at 15 February 2021.

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

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 The Company is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published prospectus.

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

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

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

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

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

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

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

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

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Investors should note that the United Kingdom left the European Union on 31 December 2020.

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

Directory

The Company and Head Office

M&G Investment Funds (4)
10 Fenchurch Avenue
London EC3M 5AG
United Kingdom

Authorised Corporate Director

M&G Securities Limited
10 Fenchurch Avenue
London EC3M 5AG
United Kingdom

Investment Manager

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

Custodian

State Street Bank and Trust Company
20 Churchill Place
Canary Wharf
London E14 5HJ
United Kingdom

Depositary

NatWest Trustee and Depositary Services Limited
House A, Floor 0
175 Glasgow Road
Edinburgh
EH12 1HQ
United Kingdom

Registrar

SS&C Financial Services Europe Limited
PO Box 9039
Chelmsford CM99 2XG
United Kingdom

Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom

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Definitions

Defined terms

The following terms have these specific meanings and are qualified in their entirety by reference to the more detailed information included in this Prospectus. All references to laws and documents apply to those laws and documents as amended from time to time.

Accumulation Share — A Share in the Company in respect of which income allocated thereto is credited periodically to capital pursuant to the Regulations

ACD — M&G Securities Limited, the Authorised Corporate Director of the Company

ACD Agreement — The agreement entered into between the Company and the ACD authorising the ACD to manage the affairs of the Company

AIF — Refers to an alternative investment fund and has the same meaning as listed in the glossary to the FCA Rules

AIFM — Refers to an alternative investment fund and has the same meaning as listed in the glossary to the FCA Rules

AIFMD — Refers to the Alternative Investment Fund Managers Directive (2011/61/EU) and has the same meaning as listed in the glossary to the FCA Rules;

Annual Charge — Is the fee paid to the ACD as payment for carrying out its duties and responsibilities in managing each Sub-fund and to pay for third party services

Approved Bank — In relation to a bank account opened by the Company:

- **A** if the account is opened at a branch in the United Kingdom:
  - (i) the Bank of England; or
  - (ii) the central bank of a member state of the OECD; or
  - (iii) a bank or a building society; or
  - (iv) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or
- **B** if the account is opened elsewhere:
  - (i) a bank in (A); or
  - (ii) a credit institution established in an EEA State other than in the United Kingdom and duly authorised by the relevant home state regulator; or
  - (iii) a bank which is regulated in the Isle of Man or the Channel Islands; or
- **C** a bank supervised by the South African Reserve Bank
- **D** any other bank that:
  - (i) is subject to regulation by a national banking regulator;
  - (ii) is required to provide audited accounts;

(iii) has minimum net assets of £5 million (or its equivalent in any other currency at the relevant time) and has a surplus revenue over expenditure for the last two financial years; and

(iv) has an annual audit report which is not materially qualified

Associate	An associate in accordance with the FCA Handbook of Rules and Guidance
Base Currency	The base currency of the Company is Pounds Sterling
Class or Classes	In relation to Shares, means (according to the context) all of the Shares related to a single Sub-fund or a particular class or classes of Share related to a single Sub-fund
Client Account	A bank account held by the ACD in accordance with the FCA Handbook of Rules and Guidance
COLL	Refers to the appropriate chapter or rule in the COLL Sourcebook issued by the FCA
COLL Sourcebook	The Collective Investment Schemes Sourcebook issued by the FCA as amended or re-enacted from time to time
Company	M&G Investment Funds (4)
Dealing Day	Monday to Friday except for bank holidays in England and Wales and other days at the ACD's discretion
Depositary	NatWest Trustee and Depositary Services Limited, the depositary of the Company
Efficient Portfolio Management	Means the use of techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria: **A** they are economically appropriate in that they are realised in a cost effective way; and **B** they are entered into for one or more of the following specific aims: – reduction of risk; – reduction of cost; – generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in COLL
Eligible Counterparty	A client that is either a per se eligible counterparty or an elective eligible counterparty as defined by the FCA Handbook of Rules and Guidance
Eligible Institution	One of certain eligible institutions being a BCD credit institution authorised by its home state regulator or an Investment Firm authorised by its home state regulator as defined in the glossary of definitions in the FCA Handbook
Emerging Markets	Countries with less established financial markets and investor protections. Typically, emerging and developing countries are those defined as such by the International Monetary Fund, the MSCI Emerging Markets Index, the World Bank or those who have low or middle income economies according to the World bank.

	This list of emerging and less developed markets is subject to continuous change. Examples include most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa. Environmental, Social and Governance (ESG): Environmental, social and corporate governance criteria, which refers to the three key factors when measuring the sustainability and ethical impact of an investment in a company
FCA	The Financial Conduct Authority
Fraction	A smaller denomination Share (on the basis that one thousand smaller denomination Shares make one larger denomination Share)
Group Plan	One or more of The M&G ISA, The M&G Junior ISA and The M&G Savings Plan, as the context may require
Income Share	A Share in the Company in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the Regulations
Instrument of Incorporation	The instrument of incorporation of the Company as amended from time to time
Intermediate Unitholder	A firm whose name is entered in the register of the Company, or which holds Shares indirectly through a third party acting as a nominee, and which: **A** is not the beneficial owner of the relevant Share; and **B** does not manage investments on behalf of the relevant beneficial owner of the Share; or **C** does not act as a depositary of a collective investment scheme or on behalf of such a depositary in connection with its role in holding property subject to the scheme
Investment Manager	M&G Investment Management Limited or such other company as is appointed the investment manager for the ACD in respect of the Sub-funds
M&G Group UK-Authorised UCITS Scheme	A collective investment scheme managed by the ACD and certified by the FCA as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on Undertakings for Collective Investment in Transferable Securities ('UCITS') and with effect and as from 1 January meeting the requirements under the UK provisions which implemented the UCITS Directive). Currently, the sub-funds of the following collective investment schemes fall under this category: M&G Investment Funds (1), M&G Investment Funds (2), M&G Investment Funds (3), M&G Investment Funds (5), M&G Investment Funds (7), M&G Investment Funds (10), M&G Investment Funds (12), M&G Optimal Income Fund, M&G Global Macro Bond Fund, M&G Global Dividend Fund, and M&G Strategic Corporate Bond Fund
Mainly	Within an investment objective, an amount greater than 70%
Member State	Those countries which are members of the European Union or the European Economic Area at any given time, excluding the UK
M&G Group	M&G plc and each of its subsidiaries
Net Asset Value or NAV	The value of the scheme property of the Company (or of any Sub-fund as the context requires) less the liabilities of the Company (or of the Sub-fund

	concerned) as calculated in accordance with the Company's Instrument of Incorporation
Non-UCITS Retail Scheme	Is an authorised fund which is neither a UK UCITS, UCITS Scheme or a qualified investor scheme
Ongoing Charge(s) Figure	A percentage figure representing the actual cost of running the fund, see also Section 28
Predominantly	Within an investment objective, at least 80% of the portfolio
Scheme Property	The property of the Company to be given to the Depositary for safekeeping, as required by the Regulations
Share or Shares	A share or shares in the Company (including larger denomination Shares and fractions), or where appropriate a share or shares in any other M&G OEIC
Shareholder	A holder of a registered Share in the Company
Sub-fund	A Sub-fund of the Company (bearing part of the scheme property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to that Sub-fund
Switch	The exchange of Shares of one Class or sub-fund for Shares of another Class or sub-fund of any M&G OEIC
The M&G ISA	An Individual Savings Account the manager of which is the ACD
The M&G Junior ISA	A Junior Individual Savings Account the manager of which is the ACD
The M&G Savings Plan	A group plan offered by the ACD designed to facilitate regular savings by Direct Debit in the UK
The Regulations	The Open-Ended Investment Companies Regulations 2001 and the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of its Handbook of Rules and Guidance
UCITS Scheme	A collective investment scheme complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on Undertakings for Collective Investment in Transferable Securities.
UK UCITS	A type of collective investment scheme which is authorised by the FCA as meeting the requirements under the UK provisions which implemented the UCITS Directive.
Valuation Currency	The currency in which a Fund is valued, being the currency noted for each fund in Appendix 1
XD date	the XD (or Ex-Dividend) date is the date on which the income is removed from the price of an Income Share pending the payment of a distribution

Operating structure and details

1 The Company

1.1 M&G Investment Funds (4) is an Open-Ended Investment Company with variable capital, incorporated in England and Wales under registered number IC 160 and authorised by the Financial Conduct Authority with effect from 20 February 2002. The Company has been established for an unlimited duration. The reference number for M&G Investment Funds (4) is 200000. The Company is a non-UCITS Retail Scheme and, for the purposes of the AIFMD, qualifies as an AIF.

1.2 The Head Office of the Company is at 10 Fenchurch Avenue, London, EC3M 5AG and is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it. The Company does not have any interest in immovable property or any tangible moveable property.

1.3 The Base Currency of the Company is Pounds Sterling.

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

1.5 Shareholders in the Company are not liable for the debts of the Company (see also Section 45 - Risk Factors).

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

2 Company structure

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

2.2 At present there are 7 Sub-funds available for investment:

M&G Episode Allocation Fund

M&G Episode Growth Fund

M&G Managed Growth Fund

M&G Sustainable Multi Asset Fund

M&G Sustainable Multi Asset Cautious Fund

M&G Sustainable Multi Asset Balanced Fund

M&G Sustainable Multi Asset Growth Fund

Each of these Sub-funds is a non-UCITS Retail Scheme within the meaning of the Regulations.

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

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

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

2.6 Shareholders in the Company are not liable for the debts of the Company or any Sub-fund in the Company (see also Section 45 - Risk Factors).

2.7 Subject to the above each Sub-fund will be charged with the liabilities, charges, expenses and costs of the Company attributable to that Sub-fund and within the Sub-funds charges will be allocated between Share Classes in accordance with the terms of issue of those Share Classes.

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

3 Classes of Share within the Sub-funds

3.1 Several Share Classes may be issued in respect of a Sub-fund. The share classes in issue, or available for issue, for each Sub-fund are shown in Appendix 1.

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

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

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

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

3.6 When different Sub-funds are available, Shareholders will be entitled (subject to certain restrictions) to switch all or some of their Shares in a Sub-fund for Shares within a different Sub-fund or a different M&G OEIC. Details of this switching facility and the restrictions are set out in Section 13 of this document.

3.7 Holders of Income Shares may convert all or some of their Shares to Accumulation Shares of the same Class in the same Sub-fund, and holders of Accumulation Shares may convert all or some of their Shares to Income Shares of the same Class in the same Sub-fund. Details of this conversion facility are set out in paragraph 15.2 of this document.

3.8 Sterling Class F Shares are available to investors who are UK OEIC feeder funds, and are available at the ACD's discretion once the investor has entered into a prior written agreement with the ACD.

3.9 Sterling Class R Shares are available only to Intermediate Unitholders or where the deal has been arranged by a financial adviser.

3.10 Sterling Class C Shares are available only to a company which the ACD deems to be an associate company or to other collective investment schemes managed by the ACD or a company which the ACD deems to be an associate company.

3.11 Sterling Class K Shares are only available to investors who have entered into a specific prior agreement with the ACD, and who are affiliated companies to the ACD, or collective investment schemes managed by the ACD).

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

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

3.13 Sterling Class L Shares will not be issued by the ACD unless the following conditions are met, in addition to any minimum investment amount specified in Appendix 1.

3.13.1 The purchase of Sterling Class L Shares is by prior written agreement with the ACD. The acceptance of any such purchase is at the ACD's sole discretion.

3.13.2 The request to purchase Sterling Class L Shares must be received by the ACD within six months of the relevant Sub-fund's launch date; and,

At its absolute discretion, the ACD may extend the period of time stated in 3.13.2 during which Sterling Class L Shares may be purchased. In order to obtain the current time limit regarding the sale of Sterling Class L Shares, a potential investor should contact the ACD on 0800 390 390 (the Prospectus will not be immediately updated to reflect any increase to the period stated in 3.13.2.

3.14 Not all share classes listed in Appendix 1 may currently be in issue. Please see www.mandg.com/classesinissue for details of which share classes are currently being issued by which Sub-funds.

3.15 Where a Sub-fund does not currently issue a share class listed for it in Appendix 1, the ACD may be willing to arrange for it to be issued once it has secured commitments from potential customers to purchase no less than a total of £20million-worth of that share class. The ACD will require at least eight-weeks' notice before being able to issue such a share class.

3.16 Sterling Class PP Shares are only available to a company which is an Associate company or to investors at the ACD's discretion where there is a specific written agreement with the ACD.

4 Management and administration

4.1 Authorised Corporate Director

4.1.1 The Authorised Corporate Director of the Company is The Authorised Corporate Director of the Company is M&G Securities Limited which is a private company limited by shares incorporated in England and Wales under the Companies Acts 1862 to 1900 on 12 November 1906.

The ultimate holding company of the ACD is M&G plc, a company incorporated in England and Wales.

The FCA reference number for M&G Securities Limited is 122057..

4.1.2 Registered Office and Head Office

Registered office and head office: 10 Fenchurch Avenue, London EC3M 5AG

Share capital:

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

Directors:

- Mr Philip Jelfs
- Mr Laurence Mumford
- Mr Sean Fitzgerald

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

- Ms Carolan Dobson (non executive director),
- Ms Michelle McGrade (non executive director).

4.1.3 The ACD is responsible for managing and administering the Company's affairs in compliance with the Regulations. Other companies for which the ACD has these responsibilities are set out in Appendix 4.

4.2 Terms of Appointment

4.2.1 The ACD Agreement provides that the appointment of the ACD is for an initial period of three years and thereafter may be terminated upon twelve months' written notice by either the ACD or the Company, although in certain circumstances the agreement may be terminated forthwith by notice in writing by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. The ACD cannot be replaced until the FCA has approved the appointment of another director in place of the retiring ACD. The ACD Agreement may be inspected at the offices of the ACD during normal business hours by any Shareholder or any Shareholder's duly authorised agent. Alternatively, a copy of the ACD Agreement may be sent to any Shareholder at his request within 10 days of the Company's receipt of such request.

4.2.2 The ACD is entitled to be paid the Annual Charge for its services in managing the Sub-funds as described in Section 28. In case of termination of the ACD Agreement it is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement. The ACD Agreement provides indemnities by the Company to the ACD other than for matters arising by reason of the ACD's negligence, default, breach of duty or breach of trust in the performance of the ACD's duties and obligations.

4.2.3 The ACD may deal as principal in the shares of its own funds. This is often known as "book management". The ACD's reason for doing this is to reduce the share price volatility that may otherwise result from the application of the dilution adjustment (see Section 17.1.4). The ACD believes that reducing share price volatility in this way is in the best interests of Shareholders. It is possible for the ACD to make a profit from book management, although this is not the primary reason for dealing as principal. Equally, it is possible for the ACD to make a loss from book management activity. The ACD will retain any profit, and absorb any loss, made from book management. The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it may make from book management activity.

5 The Depositary

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

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

5.1 Duties of the Depositary

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

5.2 Conflicts of interest

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

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

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

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

5.4 Delegation of Safekeeping Functions

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

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

5.5 Updated Information

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

5.6 Terms of Appointment

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

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

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

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

However, the Depositary Agreement excludes the Depositary from any liability except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence in the performance or non-performance of its obligations.

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

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

5.9.2 The Depositary is entitled to receive remuneration out of the scheme property of each Sub-Fund for its services, though such remuneration is normally paid by the ACD out of the ACD's Annual Charge as described in Section 28.

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

6 The Investment Manager

The Investment Manager of the Company is M&G Investment Management Limited ("MAGIM"). The ACD appointed the Investment Manager to provide investment management and advisory services in respect of the Sub-funds identified in Appendix 1.

6.1 Terms of Appointment

6.1.1 The Investment Manager was appointed by an agreement between the ACD and the Investment Manager in respect of the Sub-funds identified in Appendix 1. The Investment Manager will have authority to make decisions on behalf of the Company and the ACD in respect of the acquisition and disposal of property at any time comprising the relevant Sub-fund and to advise in respect of the rights associated with the holding of such property.

6.1.2 The investment management agreements may be terminated on three months' written notice by the Investment Manager or the ACD, or immediately by the ACD if it decides that it is in the best interests of Shareholders to do so.

6.1.3 The principal activity of the Investment Manager is acting as an investment manager.

6.1.4 M&G Investment Management Limited is authorised by the FCA in the conduct of its regulated activities in the United Kingdom.

6.1.5 M&G Investment Management Limited is an Associate of the ACD by being a subsidiary of M&G plc.

6.1.6 The fees paid to the Investment Manager for the services it provides to the Company are paid by the ACD out of the Annual Charge, as described in Section 28.

7 Administrator and Registrar

The ACD employs SS&C Financial Services Europe Limited ("SS&C") to provide certain administration services and act as registrar to the Company.

8 The Auditor

8.1 The Auditor of the Company is Ernst & Young LLP whose address is Atria One 144 Morrison Street, Edinburgh, EH3 8EX, United Kingdom.

8.2 The Auditors shall, with respect to the assets of the Company, carry out their duties in accordance with all applicable laws, rules and regulations, including the audit of the accounting information contained in the annual report of the Company.

9 Register of Shareholders

The Register of Shareholders is maintained by SS&C at its office at DST House, St Nicholas Lane, Basildon, Essex SS15 5FS and may be inspected at that address during normal UK business hours by any Shareholder or any Shareholder's duly authorised agent.

10 Fund Accounting and Pricing

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

11 Collateral Management

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

11.2 Any collateral posted in favour of a Sub-fund under an OTC derivative transaction will be held by the Depositary or by one of its sub-custodians.

12 Buying Shares and Selling Shares – General Information

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

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

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

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

12.5 Please note that:

- Sterling Class F Shares are available to investors who are UK OEIC feeder funds, and are available at the ACD's discretion once the investor has entered into a prior written agreement with the ACD.
- Sterling Class R Shares are available only to Intermediate Unitholders or where the deal has been arranged by a financial adviser. Where a purchase by a Shareholder of Sterling Class R Shares has been arranged by a financial adviser the ACD will maintain a record of that financial adviser linked to their account with the ACD. If a Shareholder of Class R Shares has their financial adviser removed from their account (whether at the request of the Shareholder or the financial adviser, or as a result of the financial adviser no longer being authorised by the FCA), the ACD reserves the right at its

absolute discretion to switch those Shares to Class A Shares within the same Sub-fund. Shareholders should note that the ongoing charge of Class A Shares is greater than that of Class R Shares.

- Sterling Class I are available to:
  - Eligible Counterparties, investing for their own account; and
  - other collective investment schemes; and
  - distributors, platforms and other forms of intermediary who operate fee based arrangements with their clients to provide advisory or discretionary portfolio management services and do not receive any fee rebates from the ACD. For these clients, minimum subscription limits will not be applied;
  - companies which the ACD deems to be associate companies of such companies and with other investors in accordance with the terms of their agreements with the ACD.

  Existing Shareholders in the Class I Shares, who held such Shares as at 23 November 2015 but no longer comply with the foregoing, can continue to hold such Shares and will be able to apply for additional subscriptions in Class I Shares which they hold. Changes to such arrangements will revert to the terms detailed above.

- Class Z Shares are only available at the ACD's discretion. Class Z Shares would then be available for investors who are eligible for the Sterling Class I Shares and Class C Shares denominated in currencies other than sterling, but only once the investor has entered into a prior written fee paying arrangement with the ACD.
- Sterling PP Shares are only available to a company which is an Associate company or to investors at the ACD's discretion where there is a specific written agreement with the ACD.
- Sterling Class L Shares will not be issued by the ACD unless the following conditions are met, in addition to any minimum investment amount specified in Appendix 1. The request to purchase Sterling Class L Shares must be received in writing by the ACD within six months of the relevant Sub-fund's launch date. At its absolute discretion, the ACD may extend the period of time during which Sterling Class L Shares may be purchased. In order to obtain the current time limit regarding the sale of Sterling Class L Shares, a potential investor should contact the ACD on 0800 390 390 (the Prospectus will not be immediately updated to reflect any increase to the period stated above).

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

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

13 Buying and selling Shares on the main register of Shareholders

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

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

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

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

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

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

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

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

- Dealing instructions are given by the registered holder in person;
- The holding is registered in a sole name;
- The sale proceeds are to be made payable to the registered holder at their registered address, which has not changed within the previous 30 days; and
- The total amount payable in respect of sales by that holder on one business day does not exceed £50,000.

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

13.9 Currently share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Company's Register of Shareholders. Statements in respect of periodic allocations of income of each Sub-fund will show the number of Shares held by the recipient in the Sub-fund in respect of which the allocation is made. Individual statements of a Shareholder's Shares will also be issued at any time on request by the registered holder (or, when Shares are jointly held, the first named holder).

13.10 Regular Withdrawal Facility

13.10.1 Accumulation Shareholders, or Income Shareholders who are having their income reinvested to purchase further Shares, and whose holdings in M&G Episode Growth Fund have a value of at least £1000 may request that a percentage value of their holding is automatically redeemed each year. Such requests must be in writing using the "Regular Withdrawals" form available from the ACD.

13.10.2 Regular redemptions made using the Regular Withdrawal Facility may not exceed, on an annualised basis, an amount greater than 7% of the value of a Shareholding in M&G Episode Growth Fund.

13.10.3 Subject to the percentage figure in 13.10.2, regular redemptions may be made on a monthly, quarterly, half-yearly or annual basis and will be based upon one twelfth, one quarter, one half or the whole requested percentage value of the Shareholder's holding, respectively. The value of the Shareholding will be calculated using the prevailing price on the day the regular redemption is made (see 13.10.4).

13.10.4 Regular redemptions will be made on the last day of each month. Where the last day of a month is not a Dealing Day, the redemption will take place on the next Dealing Day. Settlement will occur three business days following the redemption. The first redemption will occur in the month following receipt of a Shareholder's "Regular Withdrawals" form.

13.10.5 Settlement of redemptions from the Regular Withdrawal Facility will be made only to the Bank Account nominated on the "Regular Withdrawals" form.

13.10.6 Accumulation Shareholders using the Regular Redemption Facility may vary their nominated Bank Account, frequency of redemption or the annual percentage redemption figure by completing a new "Regular Withdrawals" form.

13.10.7 Shares redeemed as part of the Regular Redemption Facility will not be subject to any Redemption Charge (see 16.2).

13.10.8 Shareholders using the Regular Withdrawal Facility should note that such redemptions are treated as disposals for the purposes of Capital Gains Tax.

13.10.9 Shareholders should note that where the annual percentage growth in value of their holding is less than the annual percentage value being redeemed using the Regular Withdrawal Facility, they will in effect be eroding the capital value of their original investment.

14 Buying and selling Shares via a Group Plan

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

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

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

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

14.1.4 Payment for Shares purchased must accompany the application.

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

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

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

14.1.8 Investors' share ownership will be evidenced by an entry in the name of M&G Nominees Limited, 10 Fenchurch Avenue, London, EC3M 5AG on the Company's register of shareholders.

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

15 Switching and converting Shares

15.1 Switching

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

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

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

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

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

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

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

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

15.2 Conversions

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

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

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

15.2.3 Please note that conversions may be subject to a fee. The fee will not exceed an amount equal to the aggregate of the then prevailing redemption charge (if any) in respect of Original Shares and the initial charge (if any) in respect of New Shares and is payable to the ACD.

15.2.4 The ACD may in its absolute discretion convert Shares of one Share Class for Shares in another Class where it considers that such conversion will be in the best interests of Shareholders.

16 Dealing charges

16.1 Initial Charge

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

16.2 Redemption Charge

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

Redemption charge table

The deduction from the mid value for redemption before the following anniversaries on the Sterling Class X Income and Accumulation Shares would be:

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

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

16.2.2.1 the ACD has complied with the Regulations in relation to that introduction or charge; and

16.2.2.2 the ACD has revised the Prospectus to reflect the introduction or change and the date of its commencement and has made the revised Prospectus available.

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

16.3 Switching Fee

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

There is currently no fee payable on a switch between Classes of Shares of a Sub-fund unless the Classes are issued in a different currency or have a different charging structure.

17 Other dealing information

17.1 Dilution

17.1.1 The basis on which each Sub-fund's investments are valued for the purpose of calculating the price of Shares as stipulated in the Regulations and the Company's Instrument of Incorporation is summarised in Section 24. However, the actual cost of purchasing or selling investments for a Sub-fund may deviate from the mid-market value used in calculating the price of Shares in the Sub-fund due to dealing costs such as broking charges, taxes, and any spread between the buying and selling prices of the underlying investments. These dealing costs can have an adverse effect on the value of each Sub-fund, known as "dilution". It is not, however, possible to predict accurately whether dilution will occur at any point in time. The Regulations allow the cost of dilution to be met directly from a Sub-fund's assets or to be recovered from investors on the purchase or redemption of Shares in each Sub-fund inter alia by means of a dilution adjustment to the dealing price, and this is the policy which has been adopted by the ACD. The ACD shall comply with COLL 6.3.8 in its application of any such dilution adjustment. The ACD's policy is designed to minimise the impact of dilution on any Sub-fund.

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

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

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

purchase and sale of investments it is not possible to predict accurately if and when dilution will occur and to what extent.

Dilution adjustment table

Typical dilution adjustments for the following Sub-funds are expected to be:

M&G Episode Allocation Fund	+0.44% / -0.12%
M&G Episode Growth Fund	+0.03% / -0.03%
M&G Managed Growth Fund	+0.01% / -0.01%
M&G Sustainable Multi Asset Fund	+ 0.20% / - 0.16%

Positive dilution adjustment figures indicate a typical increase from mid price when the Sub-fund is experiencing net issues. Negative dilution adjustment figures indicate a typical decrease from mid price when the Sub-fund is experiencing net redemptions. The figures are based on the historic costs of dealing in the underlying investments of the relevant Sub-funds for the twelve months to 31 October 2020, including any spreads, commissions and transfer taxes.

17.1.5 For the Sub-Fund listed below, based on experience, the ACD would typically expect to make a dilution adjustment on most days, and this is expected to be of the magnitude shown in the table below.

Figures for M&G Sustainable Multi Asset Fund, M&G Sustainable Multi Asset Cautious Fund, M&G Sustainable Multi Asset Balanced Fund, M&G Sustainable Multi Asset Growth Fund, are based on the ACD's best estimates as the Sub-Fund has not been in existence for twelve months.

M&G Sustainable Multi Asset Cautious Fund	+0.25% / -0.21%
M&G Sustainable Multi Asset Balanced Fund	+0.20% / -0.16%
M&G Sustainable Multi Asset Growth Fund	+0.23% / -0.18%

17.2 In specie issues and redemptions

At its absolute discretion the ACD may agree or determine that instead of payment in cash to, or from, the Shareholder for Shares in a Sub-fund, the settlement of an issue or redemption transaction may be effected by the transfer of property into or out of the assets of the Company on such terms as the ACD shall decide in consultation with the Investment Manager and the Depositary. The Depositary may transfer property into or out of the Company in payment for issues or redemptions only if it has taken reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of Shareholders. In the case of redemptions, the ACD shall give notice to the Shareholder prior to the redemption proceeds becoming payable of its intention to transfer property to the Shareholder and, if required by the Shareholder, may agree to transfer to the Shareholder the net proceeds of a sale of such property.

The ACD may also offer to sell an investor's property and invest the proceeds by purchasing Shares in the Company, subject to detailed terms and conditions available upon request.

17.3 Client Account

Cash may be held for you in a 'Client Account' in certain circumstances. Interest is not paid on any such balances.

17.4 Excessive Trading

17.4.1 The ACD generally encourages Shareholders to invest in Sub-funds as part of a medium to long-term investment strategy and discourages excessive, short term, or abusive trading practices. Such activities

may have a detrimental effect on the Sub-funds and other Shareholders. The ACD has several powers to help ensure that Shareholder interests are protected from such practices. These include:

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

17.4.1.2 Fair Value Pricing (see Section 24); and,

17.4.1.3 Applying the Dilution Adjustment (see paragraph 17.1).

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

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

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

17.4.2.3 Impose a switching fee (see paragraph 16.3).

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

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

17.5 ACD dealing as principal

Where the ACD deals as principal in the Shares of a Sub-fund, any profits or losses arising from such transactions shall accrue to the ACD and not to the relevant Sub-fund of the Company. The ACD is under no obligation to account to the Depositary, or to Shareholders for any profit it makes on the issue or re-issue of Shares or cancellation of Shares which it has redeemed.

18 Money laundering

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

19 Restrictions on dealing

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

19.2 The distribution of this Prospectus and the offering of Shares in or to persons resident in or nationals of or citizens of jurisdictions outside the UK or who are nominees of, custodians or trustees for, citizens or nationals of other countries may be affected by the laws of the relevant jurisdictions. Such Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Shareholder to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction, including obtaining any governmental, exchange control or other consents which

may be required, or compliance with other necessary formalities needing to be observed and payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any such Shareholder will be responsible for any such issue, transfer or other taxes or payments by whomsoever payable and the Company (and any person acting on behalf of it) shall be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes or duties as the Company (and any person acting on behalf of it) may be required to pay.

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

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

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

20 Suspension of dealings in the Company

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

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

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

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

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

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

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

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

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

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

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

21 Governing law

The ACD treats a Shareholder's participation in the Company as governed by the law of England and Wales. The English courts shall have exclusive jurisdiction to settle any disputes or claims which may arise out of, or in connection with, a Shareholder's participation in the Company. A number of European laws provide for the recognition and enforcement in England and Wales of judgements given in other European Union States. This means that an investor based in any European Union country can enforce a judgement obtained in England in their country of residence, or vice versa.

22 Valuation of the Company

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

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

23 Calculation of the Net Asset Value

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

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

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

23.3.1 units or shares in a collective investment scheme:

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

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

23.3.1.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;

23.3.2 any other transferable security:

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

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

23.3.2.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the securities, at a value which in the opinion of the ACD is fair and reasonable;

23.3.3 property other than that described in 23.3.1 and 23.3.2 above; at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

23.4 Cash and amounts held in current and deposit accounts and in other time-related deposits shall normally be valued at their nominal values.

23.5 Property which is a contingent liability transaction shall be treated as follows:

23.5.1 if a written option (and the premium for writing the option has become part of the scheme property), the amount of the net valuation of premium receivable shall be deducted. If the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and Depositary;

23.5.2 if an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;

23.5.3 if any other form of contingent liability transaction, it will be included at the mark to market value (whether as a positive or negative value). If the property is an off-exchange derivative, it shall be included at a method of valuation agreed between the ACD and Depositary.

23.6 In determining the value of the scheme property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

23.7 Subject to paragraphs 23.8 and 23.9 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset value amount.

23.8 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 23.7.

23.9 All agreements are to be included under paragraph 23.7 which are, or ought reasonably to have been, known to the person valuing the property.

23.10 An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and any foreign taxes and duties will be deducted.

23.11 An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.

23.12 The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.

23.13 An estimated amount for accrued claims for repayments of tax of whatever nature to the Company which may be recoverable will be added.

23.14 Any other credits or amounts due to be paid into the scheme property will be added.

23.15 A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.

23.16 The amount of any adjustment deemed necessary by the ACD to ensure that the Net Asset Value is based on the most recent information and is fair to all Shareholders will be added or deducted as appropriate.

23.17 Currencies or values in currencies other than pounds sterling shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

24 Price per Share in each Sub-fund and each Class

The price per Share at which Shares are bought by investors is the sum of the Net Asset Value of a Share adjusted to reduce any dilutive effect of dealing in the Sub-fund (for more detail of dilution adjustment see 17.1) before any initial charge. The price per Share at which Shares are sold by investors is the Net Asset Value per Share adjusted to reduce any dilutive effect of dealing in the Sub-fund (for more detail of dilution adjustment see 17.1) before any applicable redemption charge.

25 Pricing basis

There shall be a single price for a Share in any Class. The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation point after the purchase or sale is agreed.

26 Publication of prices

The most recent price of Shares will appear daily on our web-site at www.mandg.co.uk or can be obtained from our Customer Services Department on 0800 390390. The most recent price of Sterling Class C shares appear on M&G's intranet site.

27 Risk factors

Potential investors should consider the risk factors referenced in Section 45 before investing in the Company.

28 Charges and Expenses

Introduction

This section describes the charges and expenses that a Shareholder bears on their investment and how they work. It details the payments that may be made out of the Company and its Sub-funds as expenses and as charges for services in relation to the management, operation and administration of the Company and its Sub-funds.

28.1 The ACD's Annual Charge

28.1.1 The ACD is permitted to take a charge from each Share Class of each Sub-fund as payment for carrying out its duties and responsibilities and to pay for certain third parties' services. This is known as the ACD's "Annual Charge".

28.1.2 The Annual Charge covers, among other things, the following:

(1) ACD fees and expenses,

(2) Service providers' (including the Investment Manager and the Depositary) fees and expenses,

(3) Fees for the provision of hedging services incurred by the offering of hedged Share Classes,

(4) All the costs, charges, fees and expenses payable in relation to the operation and management of each Sub-fund which may be taken from scheme property under the FCA rules, excluding those set out in section 28.4. Other payments from the scheme property of the Sub-funds not included in the Annual Charge. These permitted costs, charges, fees and expenses include:

(a) The Depositary's fees and expenses for acting as depositary, its custody charges in relation to the safekeeping of scheme property and its custody transaction charges

(b) Registrar fees and expenses covering the establishment and maintenance of the Register of Shareholders and any sub-register of Shareholders
(c) Costs and expenses relating to the formation, authorisation and registration of a new Sub-fund and the offer of Shares
(d) Documentation costs and expenses, such as preparing, printing and distributing the Prospectus and the KIIDs, as well as the annual reports of the Company and any other documents made available to Shareholders
(e) Costs of registration, publication of Share prices, listing on a Stock Exchange, creation, conversion and cancellation of Shares Classes
(f) Costs of production and dispatch of payments made by the Company
(g) Costs of arranging and convening meetings of Shareholders
(h) Legal fees and expenses other than the extraordinary expenses as referenced in Section 28.4.1
(i) Audit fees and expenses
(j) Liabilities that are charges, costs and expenses arising on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Sub-funds in consideration for the issue of Shares as more fully detailed in the Regulations
(k) VAT where applicable in relation to the Annual Charge or each of the costs, charges, fees and expenses included in the Annual Charge.

28.1.3 Costs and expenses relating to research services provided to the Investment Manager by brokers, or independent research providers, will be borne by the Investment Manager.

28.1.4 The costs of a Sub-fund relating to investments in collective investment schemes will be borne by the ACD out of the Annual Charge to ensure Shareholders are not charged for those in addition to the Annual Charge.

28.2 Calculation and operation of the Annual Charge

28.2.1 The Annual Charge is set as a rate which is a percentage of the Net Asset Value of each Share Class in each Sub-fund. The annual rate of this charge is set out for each Sub-fund in Appendix 1.

28.2.2 The Annual Charge is calculated as follows:

Each day the ACD charges one-365th of the Annual Charge (or one-366th if it is a leap year). If the day is not a Dealing Day, the ACD will take the charge into account on the next Dealing Day. The ACD calculates this charge using the Net Asset Value of each Share Class on the previous Dealing Day.

28.2.3 Though the Annual Charge is calculated and taken into account daily in each Share Class's price, it is actually paid to the ACD every fortnight in arrears.

28.2.4 In setting the Annual Charge, the ACD is taking upon itself the risk that the Net Asset Value of a Sub-fund will fall to the extent that the Annual Charge will not fully recompense it for the charges and expenses that the ACD would otherwise be entitled to charge to each Sub-fund. Conversely, the ACD is not accountable to Shareholders should the aggregate fees generated by the Annual Charge in any period exceed the charges and expenses that it incurs and the ACD will retain the surplus.

28.3 Changes to the Annual Charge

28.3.1 The ACD reserves the right to increase or decrease the Annual Charge. In the event of any changes to the Annual Charge the ACD will notify Shareholders in accordance with the FCA's requirements under the COLL Sourcebook. This does not include changes to the level of the discount to the Annual Charge (as described in Section 28.5) arising as a result of a change in the Net Asset Value of a Sub-fund.

28.4 Other payments from the scheme property of the Sub-funds not included in the Annual Charge

28.4.1 In addition to the Annual Charge, and in accordance with the COLL Sourcebook, the following payments, and any VAT payable on them, will be made out of the scheme property of each Sub-fund, where they arise.

(a) Portfolio transaction costs including broker's commission, taxes and duties (including stamp duty), and other disbursements which are necessarily incurred in effecting transactions for the Sub-funds.
(b) Extraordinary expenses including, without limitation, litigation expenses and the fees and expenses of legal and other professional advisers ("Extraordinary Expenses").
(c) Interest on borrowing and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing on behalf of the Sub-funds.
(d) Taxation and duties payable in respect of the property of the Sub-funds or of the issue or redemption of Shares;
(e) Any value added or similar tax relating to any charge or expense set out in this section 28.4.1.

28.5 Discounts to the Annual Charge

28.5.1 The ACD will pass to Shareholders some of the benefit of potential savings, achieved from economies of scale generated by a significant growth of assets under management in a Sub-fund, by applying a discount to the Annual Charge of the Sub-fund. The applicable discount to the Annual Charge will be determined by the size of the Sub-fund as shown in the table below.

28.5.2 The ACD reserves the right to change the Net Asset Value range or change the discount associated with each band of the Net Asset Value range as shown in the table in Section 28.5.4.

In the event of any such changes, the ACD will notify Shareholders.

28.5.3 The ACD will review the Net Asset Value of Sub-funds on at least a quarterly basis and will implement the applicable discount on a forward basis, as soon as possible but no later than 13 business days after quarter end. Where a Sub-fund has experienced a decline in its Net Asset Value, the ACD will only remove or reduce a discount when the Net Asset Value is lower than the relevant threshold after the application of a buffer as shown in the table below.

28.5.4 The discounted Annual Charge will be calculated as follows: Annual Charge (as per Appendix 1) – Discount (as per the table below)

Fund Net Asset Value	Annual Charge discount	Buffer applied in case of reducing Net Asset Value
£0-1bn	Nil	Not applicable
£1-2bn	0.02%	£100m
£2-3bn	0.04%	£100m
£3-4bn	0.06%	£100m
£4-5bn	0.08%	£200m
£5-6bn	0.10%	£200m
More than £6bn	0.12%	£200m

See below a numerical example:

Time	Fund AUM	Discounted annual charge for a Share Class A Annual Charge: 1.40%
Quarter 1	£1.67bn	1.38% (1.40% - 0.02%) A 0.02% discount is applied to the Annual Charge as the Sub-fund's Net Asset Value is in the £1-2bn range
Quarter 2	£958m	1.38% No change as the Sub-fund's Net Asset Value falls within the £100m buffer and has not reduced below the £900m threshold.
Quarter 3	£882m	1.40% The 0.02% discount is removed as the Sub-fund's Net Asset Value is below the £100m buffer.

Time	Fund AUM	Discounted annual charge for a Share Class A Annual Charge: 1.40%
Quarter 4	£1.05bn	1.38% (1.40% - 0.02%) A 0.02% discount is applied as the Sub-fund's Net Asset Value is in the £1-2bn range.
Quarter 5	£2.15bn	1.36% (1.40% - 0.04%) A 0.04% discount is applied to the Annual Charge as the Sub-fund's Net Asset Value is in the £2-3bn range.

28.6 Information regarding the Annual Charge, including any discount currently applicable to each Share Class per Sub-fund can be found at www.mandg.co.uk

28.7 Allocation of charges and expenses

28.7.1 For each Share Class, the charges and expenses described in this section are either charged to capital or income (or both) depending upon whether they are Income Shares or Accumulation Shares.

- For Income Shares, most charges and expenses are charged to capital. This treatment of the charges and expenses may increase the amount of income available for distribution to Shareholders in the Share Class concerned, but it may constrain capital growth.
- For Accumulation Shares, most charges and expenses are paid from income. If there is insufficient income to fully pay those charges and expenses, the residual amount is taken from capital.

Allocation of Charges

	Accumulation Shares	Income Shares
Annual Charge	100% to Income	100% to Capital
Portfolio transaction costs	100% to Capital	100% to Capital
Extraordinary Expenses	100% to Income	100% to Income
Interest on borrowing	100% to Income	100% to Income
Charges incurred in effecting or terminating borrowing or in negotiating or varying the terms of borrowing on behalf of the Sub-funds	100% to Income	100% to Income

28.8 The Ongoing Charge(s) Figure

28.8.1 Each Class of shares in a Sub-fund has an Ongoing Charge(s) Figure and this is shown in the relevant Key Investor Information Document.

28.8.2 The Ongoing Charge(s) Figure is intended to assist Shareholders to ascertain and understand the impact of charges on their investment each year and to compare the level of those charges with the level of charges in other funds. It will normally equal the ACD's Annual Charge, except where extraordinary expenses (as described in paragraph 28.4) have been incurred or a discount to the ACD's Annual Charge has been applied or removed.

28.8.3 The Ongoing Charge(s) Figure excludes portfolio transaction costs and any initial charge or redemption charge but will capture the effect of the various charges and expenses referred to in this section. In common with other types of investors in financial markets, the Sub-funds incur costs when buying and selling underlying investments in pursuit of their investment objective. These portfolio transaction costs include dealing spread, broker commissions, transfer taxes and stamp duty incurred by the Sub-fund on transactions. The annual and half-yearly reports of each Sub-fund provide further information on portfolio transaction costs incurred in the relevant reporting period.

28.8.4 The Ongoing Charge(s) Figure also excludes interest on borrowing.

29 Shareholder meetings and voting rights

29.1 Annual General Meeting

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

29.2 Requisitions of Meetings

29.2.1 The ACD or the Depositary may requisition a general meeting at any time.

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

29.3 Notice and Quorum

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

29.4 Proceedings at Meetings

29.4.1 A meeting of Shareholders must have a chairman nominated by the Depositary. If the chairman is not present or after a reasonable time from the time of the meeting declines to take the chair, the Shareholders must choose one of their number to be chairman.

29.4.2 The chairman of any meeting may with the consent of the meeting adjourn the meeting from time to time and from place to place, and if he is directed by the meeting to adjourn he must do so. No business can be transacted at an adjourned meeting which might not lawfully have been transacted at the meeting from which the adjournment took place.

29.4.3 The chairman may take any action he considers appropriate for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

29.4.4 A resolution put to a vote of a general meeting shall be determined by a show of hands unless a poll is demanded by the chairman, two Shareholders, the Depositary, or otherwise in accordance with the Instrument of Incorporation of the Company.

29.4.5 Unless a poll is required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book or computer record of proceedings will be conclusive evidence of that fact. If a poll is required, it shall be taken in such manner as the chairman may direct.

29.5 Voting Rights

29.5.1 At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

29.5.2 On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attaching to all the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue as at a cut-off date selected by the ACD which is a reasonable time before the notice of meeting is deemed to have been served.

29.5.3 A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

29.5.4 Except where the Regulations or the Instrument of Incorporation of the Company require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour for the resolution to be passed) any resolution required will be passed by a simple majority of the votes validly cast for and against the resolution.

29.5.5 The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the Regulations) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

29.5.6 'Shareholders' in this context of this paragraph 33 means Shareholders on a cut-off date selected by the ACD which is a reasonable time before the notice of the relevant meeting was deemed to have been served but excludes holders of Shares who are known to the ACD not to be Shareholders at the time of the meeting.

29.5.7 Investors using the M&G Securities International Nominees Service whose holdings are registered through M&G International Investments Nominees Limited will be offered a vote at general meetings when the ACD considers, at its sole discretion, that the investors' interests may be materially affected.

29.6 Class and Sub-fund Meetings

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

29.7 Variation of Class Rights

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

30 Taxation

30.1 General

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

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

30.2 Taxation of the Company

30.2.1 Income

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

30.2.2 Capital gains

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

30.2.3 Distributions

Sub-funds with over 60% invested in qualifying assets (broadly interest paying) throughout the relevant distribution period can elect to make interest distributions. There are currently no funds which will be managed in such a way that they will be able to make interest distributions. In all other cases they will pay dividend distributions.

30.3 Taxation of the investor

30.3.1 Dividend distributions - UK resident individual Shareholders

Currently UK dividends are subject to a £2,000 tax-free dividend allowance for all taxpayers, which replaces the 10% tax credit applied in prior periods. For dividend income in excess of this allowance, the applicable tax rate for basic rate taxpayers is 7.5%, the rate for higher rate taxpayers is 32.5%, and the rate for additional taxpayers is 38.1%.

30.3.2 Dividend distributions – UK resident corporate Shareholders

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

30.3.3 Interest distributions

Currently, interest distributions are paid without deduction of income tax at the rate of 20% for net share classes.

Personal Savings Allowance is available whereby the first £1,000 of savings income is exempt from tax for basic rate taxpayers and the first £500 for higher rate taxpayers.

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

30.3.4 Capital gains

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

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

31 Income Equalisation

31.1 Income equalisation will be applied to Shares issued by the Company.

31.2 Part of the purchase price of a Share reflects the relevant share of accrued income received or to be received by the Sub-fund. This capital sum is returned to a Shareholder with the first allocation of income

in respect of a Share issued during the relevant accounting period. Any equalisation received from distributions from underlying funds will not be distributed but taken to capital of the appropriate Sub-fund of M&G Investment Funds (4).

31.3 The amount of equalisation is calculated by dividing the aggregate of the amounts of income included in the price of Shares issued to or bought by Shareholders in an annual or interim accounting period by the number of those Shares and applying the resultant average to each of the Shares in question.

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

32.1 The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the Regulations. A Sub-fund may only be wound up under the Regulations.

32.2 Where the Company or a Sub-fund is to be wound up under the Regulations, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so. The Company may not be wound up under the Regulations if there is a vacancy in the position of ACD at the relevant time.

32.3 The Company or a Sub-fund may be wound up under the Regulations if:

32.3.1 an extraordinary resolution to that effect is passed by Shareholders; or

32.3.2 the period (if any) fixed for the duration of the Company or a particular Sub-fund by the Instrument of Incorporation expires, or the event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company or a particular Sub-fund is to be wound up (for example, if the share capital of the Company is below its prescribed minimum or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is less than £10,000,000, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Sub-fund); or

32.3.3 on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company or the Sub-fund.

32.4 On the occurrence of any of the above:

32.4.1 Regulations 6.2, 6.3 and 5 relating to Dealing, Valuation and Pricing and Investment and Borrowing will cease to apply to the Company or the Sub-fund;

32.4.2 the Company will cease to issue and cancel Shares in the Company or the Sub-fund and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the Sub-fund;

32.4.3 no transfer of a Share shall be registered and no other change to the register shall be made without the sanction of the ACD;

32.4.4 where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;

32.4.5 the corporate status and powers of the Company and, subject to the provisions of Clauses 32.4.1 and 32.4.2 above, the powers of the ACD shall remain until the Company is dissolved.

32.5 The ACD shall, as soon as practicable after the Company or the Sub-fund falls to be wound up, realise the assets and meet the liabilities of the Company or the Sub-fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the scheme property of the Company or the Sub-fund. When the ACD has caused all of the scheme property to be realised and all of the liabilities of the Company or the Sub-fund to be realised, the ACD shall arrange for the Depositary also to make a final

distribution to Shareholders as at (or prior to) the date on which the final account is sent to Shareholders of any balance remaining, if applicable, in proportion to their holdings in the Company or the Sub-fund.

32.6 On completion of a winding up of the Company, the Company will be dissolved and any money which is legitimately the property of the Company (including unclaimed distributions) and standing to the account of the Company, will be paid into court by the ACD within one month of dissolution.

32.7 Following the completion of the winding up of the Company or the Sub-fund, the ACD shall provide written confirmation to the Registrar of Companies and shall notify the FCA that it has done so.

32.8 Following the completion of a winding up of either the Company or a Sub-fund, the ACD must prepare a final account showing how the winding up took place and how the scheme property was distributed. The auditor of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditor's report must be sent to the FCA and to each Shareholder and in the case of the winding up of the Company, to the Registrar of Companies within two months of the termination of the winding up.

32.9 As the Company is an umbrella company, any liabilities attributable or allocated to a Sub-fund under the Regulations shall be met out of the scheme property attributable or allocated to that Sub-fund.

32.10 Any assets and liabilities, expenses, costs and charges not attributable to a particular Sub-fund may be allocated by the Manager in a manner which it believes is fair to Shareholders generally. This will normally be pro-rata to the Net Asset Value of the relevant Sub-funds.

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

33 General Information

33.1 Accounting Periods

The annual accounting period of the Company ends each year on 31 October (the accounting reference date). The half-yearly accounting period ends each year on 30 April.

33.2 Income Allocations

33.2.1 Allocations of income are made in respect of the income available for allocation in each annual accounting period and each interim accounting period (see Appendix 1). Each allocation of income made in respect of any Sub-fund at a time when more than one Class is in issue in respect of that Sub-fund shall be done by reference to the relevant Shareholder's proportionate interests in the property of the Sub-fund in question calculated in accordance with the Instrument of Incorporation of the Company.

33.2.2 Distributions of income for each Sub-fund are paid to shareholders on or before the annual income allocation date of 28 February and where applicable on or before one or more of the interim allocation dates of 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 30 September, 31 October, 30 November, 31 December and 31 January.

33.2.3 If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Company.

33.2.4 The amount available for allocation in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant Sub-fund in respect of that period, and deducting the charges and expenses of the relevant Sub-fund paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the auditor as appropriate) in relation to taxation, equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditor.

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

33.2.5 Income from debt securities

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

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

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

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

33.3 Changes to the Funds

Where any changes are proposed to be made to any one of the Sub-funds, including changes to the investment objective, policy or strategy, the ACD will assess whether the change is fundamental, significant or notifiable in accordance with COLL 4.3. If the change is regarded as fundamental, shareholder approval will be required. If the change is regarded as significant, not less than 60 days' prior written notice will be given to shareholders. If the change is regarded as notifiable, shareholders will receive suitable notice of the change.

33.4 Annual Reports

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

In addition to the accounting information contained in the annual short report of the Company, pursuant to the AIFMD the Manager will disclose the following information in respect of each Sub-fund in the annual long report:

33.4.1 the percentage of the Sub-fund's assets which are subject to special arrangements arising from their illiquid nature, including an overview of any special arrangements in place, the valuation methodology applied to the assets which are subject to such arrangements and how management and performance fees, if any, apply to these assets;

33.4.2 if risk limits set for the Sub-fund by the Manager have been or are likely to be exceeded and, where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken;

33.4.3 the total amount of Leverage employed by the Sub-fund; and

33.4.4 any material changes to the following information:

33.4.4.1 the arrangements for managing the liquidity of the Sub-fund;

33.4.4.2 the risk management systems employed by the Manager to manage the risks to which the Sub-fund is or may be exposed;

33.4.4.3 the current risk profile of the Sub-fund and the maximum level of Leverage that may be employed by the Sub-fund; and

33.4.4.4 where applicable, any right for re-use of collateral or any guarantee under the Sub-fund's leveraging arrangements as well as the nature of such rights or guarantees.

33.5 Documents of the Company

33.5.1 The following documents may be inspected free of charge between 9.00 am and 5.00 pm UK time every Dealing Day at the offices of the ACD at 10 Fenchurch Avenue, London, EC3M 5AG:

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

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

33.5.1.3 Prospectus.

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

33.6 Risk Management and other information

The following information is available from the ACD on request:

33.6.1 Risk Management

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

33.6.2 Execution Policy

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

33.6.3 Exercise of voting rights

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

33.6.4 Gifts and Hospitality

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

33.7 Management of collateral

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

33.7.1 Eligible collateral

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

In particular, collateral should comply with the following conditions:

33.7.1.1 Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

33.7.1.2 It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

33.7.1.3 It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

33.7.1.4 It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Sub-funds' net asset value to any single issuer on an aggregate basis, taking into account all collateral received;

33.7.1.5 It should be capable of being fully enforced by the Sub-funds at any time without reference to or approval from the counterparty.

Subject to the above mentioned conditions, collateral received by the Sub-funds may consist of:

33.7.1.6 liquid assets such as cash and cash equivalents, including short-term bank certificates and Money Market Instruments;

33.7.1.7 bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, UK, regional or worldwide scope;

33.7.1.8 shares or units issued by money market Collective investment Schemes calculating a daily NAV and being assigned a rating of AAA or its equivalent;

33.7.1.9 shares or units by UCITS or UK UCITS investing mainly in bonds/shares mentioned in 33.7.1.10 and 33.7.1.11 below;

33.7.1.10 bonds issued or guaranteed by first class issuers offering an adequate liquidity; and

33.7.1.11 shares admitted to or dealt in on a regulated market of UK, an EU Member State or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

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

33.7.2 Level of collateral

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

33.7.3 OTC financial derivative transactions

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

33.7.4 Haircut policy

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

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

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

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

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

The Investment Manager reserves the right to depart from the above haircut levels where it would be appropriate to do so, taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets). Furthermore, the Investment Manager reserves the right to accept collateral types other than those disclosed above.

No haircut will generally be applied to cash collateral.

33.7.5 Reinvestment of collateral

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

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

33.7.5.1 placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the FCA as equivalent to those laid down in EU law;

33.7.5.2 invested in high-quality government bonds;

33.7.5.3 used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the relevant Sub-fund is able to recall at any time the full amount of cash on accrued basis; and/or

33.7.5.4 invested in short-term money market funds as defined in the ESMA Guidelines on a common definition of European Money Market Funds.

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

33.8 Notices

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

34 Tax Reporting

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

35 Fair Treatment of Investors

35.1 The ACD has procedures, arrangements and policies in place to ensure compliance with the principles of fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

35.1.1 acting in the best interests of the Sub-funds and of the investors;

35.1.2 executing the investment decisions taken for the account of the Sub-funds in accordance with the objectives, the investment policy and the risk profile of the Sub-funds;

35.1.3 ensuring that the interests of any group of investors are not placed above the interests of any other group of investors;

35.1.4 ensuring that fair, correct and transparent pricing models and valuation systems are used for the Sub-funds managed;

35.1.5 preventing undue costs being charged to the Sub-funds and investors;

35.1.6 taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Shareholders; and

35.1.7 recognising and dealing with complaints fairly.

36 Preferential Treatment

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

Additionally, the ACD may grant similar preferential terms to the employees of companies within the M&G Group of companies or their Associates.

37 Complaints

If you wish to complain about any aspect of the service you have received or to request a copy of M&G's complaints handling procedures, please contact M&G Customer Relations, PO Box 9039, Chelmsford

CM99 2XG. If your complaint is not dealt with to your satisfaction, you can then complain to: The Financial Ombudsman Service (FOS), Exchange Tower, London, E14 9SR.

38 Investor Profile

The Sub-funds are marketable to all retail investors.

39 Marketing outside the UK

39.1 The Company's shares are not marketed in overseas jurisdictions.

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

40 Genuine diversity of ownership

40.1 Shares in the Company are and will continue to be widely available. The intended categories of investors are retail and institutional investors.

40.2 Shares in the Company are and will continue to be marketed and made available widely to reach the intended categories of investors and in a manner appropriate to attract those categories of investors.

41 Professional Liability

The Manager holds sufficient own funds to cover professional liability risk.

42 Conflicts of Interest

The ACD, the Depositary and the Investment Manager are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Company. In addition, the Company may enter into transactions at arm's length with companies in the same group as the ACD.

The Depositary may, from time to time, act as depositary of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Regulations, ensure that the performance of their respective duties will not be impaired by any such involvement.

43 Rights against service providers

Investors will only be able to exercise their rights directly against the Company and the Manager and will not have any direct rights against the service providers of the Company appointed from time to time.

44 Remuneration Policy

The ACD applies a staff remuneration policy consistent with the principles outlined in the Undertakings for Collective Investment in Transferable Securities Directive (UCITS) (No. 2009/65/EC), as amended, the

Alternative Investment Fund Managers Directive (AIFMD) (No. 2011/61/EU), as amended, and the FCA Handbook of Rules and Guidance. The remuneration policy is overseen by a remuneration committee and is designed to promote sound and effective risk management by, amongst other things:

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

With effect from 1 January 2021 the Company became a UK UCITS (a type of collective investment scheme which is authorised by the FCA as meeting the requirements under the UK provisions which implemented the UCITS Directive).
Under the AIFMD, the UK is considered a third country and therefore the ACD is a non-EU alternative investment fund manager in member states.

Please visit the following website:

http://global.mandg.com/our-business/mandg-investments/mandg-investments-business-policies for up-to-date details of the remuneration policy, including, but not limited to:

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

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

45 Risk Factors

General Risks	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Risk to Capital & Income will vary	The investments of the Sub-fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other stock market related assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a guide to future performance.	✓	✓	✓	✓	✓	✓	✓
Charges to Capital	The charges and expenses attributable to the Sub-Fund's Income Shares are taken from capital, in whole or in part, and as a result capital growth for that share class will be constrained.	✓	✓	✓	✓	✓	✓	✓
Counterparty Risk	Whilst the Investment Manager will place transactions, hold positions (including derivatives transactions) and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Sub-fund's capital at risk.	✓	✓	✓	✓	✓	✓	✓
Liquidity Risk	The Sub-fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair.	✓	✓	✓	✓	✓	✓	✓
Operational Risk	The M&G Group, the Company, and its Sub-funds and "Relevant Parties" (i.e. the Investment Manager and the rest of the M&G Group, the Depositary, the other service providers, their delegates, and counterparties) are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The M&G Group seeks to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt M&G Group's systems and operations significantly, which may result in financial loss, regulatory censure, adverse investor outcomes and/or reputational damage.	✓	✓	✓	✓	✓	✓	✓

General Risks	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Suspension of dealing in Shares	Investors are reminded that in exceptional circumstances their right to sell or redeem shares may be temporarily suspended.	✓	✓	✓	✓	✓	✓	✓
Cancellation Risks	When cancellation rights are applicable and are exercised, the full amount invested may not be returned if the price falls before we are informed of your intention to cancel.	✓	✓	✓	✓	✓	✓	✓
Inflation	A change in the rate of inflation will affect the real value of your investment.	✓	✓	✓	✓	✓	✓	✓
Taxation	The current tax regime applicable to investors in collective investment schemes in their country of residence or domicile and the UK schemes themselves is not guaranteed and may be subject to change. Any changes may have a negative impact on returns received by investors. The M&G Funds rely extensively on tax treaties to reduce domestic rates of withholding tax in countries where it invests. A risk exists that tax authorities in countries with which the United Kingdom has double tax treaties, may change their position on the application of the relevant tax treaty. As a consequence, higher tax may be suffered on investments, (e.g. as a result of the imposition of withholding tax in that foreign jurisdiction). Accordingly, any such withholding tax may impinge upon the returns to the Sub-fund and investors. In specific treaties which contain 'limitation of benefits' provisions (e.g. US), the tax treatment of the Sub-fund may be affected by the tax profiles of investors in the Fund as such treaties may require the majority of investors in the Fund to be from the same jurisdiction. Failing to meet the limitation of benefits provision may result in increased withholding tax being suffered by the Sub-fund.	✓	✓	✓	✓	✓	✓	✓
Tax Developments	The tax regulations which M&G Sub-funds are subject to constantly change as a result of: (i) technical developments – changes in law regulations; (ii) interpretative developments – changes in the way tax authorities apply law and (iii) market practice – whilst tax law is in place, there may be difficulties applying the law in practice (e.g. due to operational constraints). Any changes to the tax regimes applicable to M&G Funds and investors in their country of residence or domicile may impact negatively on the returns received by investors.	✓	✓	✓	✓	✓	✓	✓

General Risks	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Brexit Risk	The UK's future economic and political relationship with the EU (and with other non-EU countries by agreement) continues to remain uncertain. This uncertainty is likely to generate further global currency and asset price volatility. This may negatively impact the returns of a Fund and its investments resulting in greater costs if a Fund decides to employ currency hedging policies. Ongoing uncertainty could adversely impact the general economic outlook and as such, this may impact negatively on the ability of a Fund and its investments to execute their strategies effectively, and may also result in increased costs to the Company. The EU and UK have undertaken by March 2021 to agree a Memorandum of Understanding establishing the framework on financial services regulatory cooperation. The discussions will include how to move forward on with equivalence determinations between the Union and United Kingdom. It is possible that there will be more divergence between UK and EU regulations post-Brexit, limiting what cross-border activities can take place. The nature and extent of the impact of any Brexit related changes are uncertain, but may be significant.	✓	✓	✓	✓	✓	✓	✓
Brexit Impact on Withholding Taxes	As a consequence of UK leaving the EU, UK funds may no longer be able to receive certain tax benefits that may have been available to EU funds and withholding tax rates on dividends will increase to the domestic rates applicable in the EU countries where the Funds invest (subject to tax treaties).	✓	✓	✓	✓	✓	✓	✓

General Risks	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Cyber Event Risk	Like other business enterprises, the use of the internet and other electronic media and technology exposes M&G Funds, its service providers, and their respective operations, to potential risks from cyber-security attacks or incidents (collectively, "cyber-events"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code, and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact a Sub-fund and its Shareholders. A cyber-event may cause a Sub-fund, or its service providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of a Sub-fund or allow Shareholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support a Sub-fund and its service providers. In addition, cyber-events affecting issuers in which a Sub-fund invests could cause the Sub-fund's investments to lose value.	✓	✓	✓	✓	✓	✓	✓

General Risks	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Force majeure, including terrorism and pandemic risk	The M&G Funds and counterparties with which the Company on behalf of the M&G Funds may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the M&G Funds and their counterparties. In particular, the recent "novel coronavirus" (COVID-19) outbreak, which has affected various parts of the world, could have a material and adverse effect on the ability to accurately determine the prices of investments owned by the M&G Funds, which might further result in inaccurate valuation of the M&G Funds assets. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the M&G Funds and their counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the M&G Funds and materially and adversely affect their operation.	✓	✓	✓	✓	✓	✓	✓

Derivatives	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Derivatives EPM only	The Sub-fund may enter into derivative transactions for the purposes of Efficient Portfolio Management ('EPM'), including hedging transactions and temporary short term tactical asset allocation, e.g. for the purposes of preserving the value of an asset or assets of the Sub-fund and liquidity management purposes (i.e. to enable the Sub-fund to be adequately invested). The Risk Management Process document sets out the approved derivative strategies.			✓				
Derivatives (Sophisticated Funds)	The Sub-fund undertakes transactions in derivatives and forward transactions, both on exchange and OTC, for the purposes of meeting the investment objective, protecting the risk to capital, currency, duration and credit management, as well as for hedging. The Risk Management Process document sets out the approved derivative strategies.	✓	✓		✓	✓	✓	✓
Derivatives - Correlation (Basis Risk)	Correlation risk is the risk of loss due to divergence between two rates or prices. This applies particularly where an underlying position is hedged through derivative contracts which are not the same as (but may be similar to) the underlying position.	✓	✓	✓	✓	✓	✓	✓
Derivatives - Valuation	Valuation risk is the risk of differing valuations of derivatives arising from different permitted valuation methods. Many derivatives, in particular non-exchange traded (OTC) derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals who are often also the counterparty to the transaction. As a result, the daily valuation may differ from the price that can actually be achieved when trading the position in the market.	✓	✓	✓	✓	✓	✓	✓
Derivatives - Liquidity	Liquidity risk exists when a particular instrument is difficult to purchase or sell. Derivative transactions that are particularly large, or traded off market (i.e. OTC), may be less liquid and therefore not readily adjusted or closed out. Where it is possible to buy or sell, this may be at a price that differs from the price of the position as reflected in the valuation.	✓	✓	✓	✓	✓	✓	✓
Derivatives - Counterparty	Certain derivative types may require the establishment of a long term exposure to a single counterparty which increases the risk of counterparty default or insolvency. While these positions are collateralised, there is a residual risk between both the mark to market and the receipt of the corresponding collateral as well as between the final settlement of the contract and the return of any collateral amount. This risk is referred to as daylight risk. In certain circumstances, the physical collateral returned may differ from the original collateral posted. This may impact the future returns of the Sub-fund.	✓	✓	✓	✓	✓	✓	✓
Derivatives - Delivery	The Sub-fund's ability to settle derivative contracts on their maturity may be affected by the level of liquidity in the underlying asset. In such circumstances, there is a risk of loss to the Sub-fund.	✓	✓	✓	✓	✓	✓	✓

Derivatives	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Derivatives – Legal Risk	Derivative transactions are typically undertaken under separate legal arrangements. In the case of OTC derivatives, a standard International Swaps and Derivatives Association ("ISDA") agreement is used to govern the trade between the Sub-fund and the counterparty. The agreement covers situations such as a default of either party and also the delivery and receipt of collateral. As a result, there is a risk of loss to the Sub-Fund where liabilities in those agreements are challenged in a court of law.	✓	✓	✓	✓	✓	✓	✓
No material impact on Risk profile or volatility. **Derivatives - Volatility**	It is not intended nor anticipated that the use of these derivative instruments will have a material impact on the risk profile or the volatility of the Sub-fund. Extreme market events, counterparty default or insolvency may, however, result in a loss to the Sub-fund.			✓				
Derivatives - Volatility	Derivatives may be used in a limited way to obtain exposure to investments rather than holding the investments directly. It is anticipated that the use of derivatives will not materially alter the risk profile of the Sub-fund or increase price fluctuations compared to equivalent funds that do not invest in derivatives.	✓	✓		✓	✓	✓	✓
Limit Credit Leverage	Derivatives may be used in a limited way to generate credit exposure to investments exceeding the net asset value of the Sub-fund, thereby exposing the Sub-fund to a higher degree of risk. As a result of increased market exposure, the size of any positive or negative movement in markets will have a relatively larger effect on the net asset value of the Sub-fund. The additional credit exposure will however be limited to such an extent as to not materially increase the overall volatility of the net asset value.				✓	✓	✓	✓
Short Sales	The Sub-fund may take short positions through the use of derivatives which are not backed by equivalent physical assets. Short positions reflect an investment view that the price of the underlying asset is expected to fall in value. Accordingly, if this view is incorrect and the asset rises in value, the short position could involve losses of the Sub-fund's capital due to the theoretical possibility of an unlimited rise in their market price.	✓	✓	✓	✓	✓	✓	✓
Currency Strategies	Funds which use currency management strategies may have substantially altered exposures to currency exchange rates. Should these currencies not perform as the fund Investment Manager expects, the strategy may have a negative effect on performance.				✓	✓	✓	✓

Fund Specific	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Currency & exchange rate risk	Currency exchange rate fluctuations will impact the value of a Sub-Fund which holds currencies or assets denominated in currencies that differ from the Valuation Currency of the Sub-fund.	✓	✓	✓	✓	✓	✓	✓
Interest Rate Risk	Interest rate fluctuations will affect the capital and income value of investments within Sub-funds that invest substantially in fixed income investments. This effect will be more apparent if the Sub-fund holds a significant proportion of its portfolio in long dated securities.	✓	✓		✓	✓	✓	✓
Credit Risk	The value of the Sub-fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. AAA rated government and corporate bonds have a relatively low risk of default compared to non-investment grade bonds. However, the ratings are subject to change and they may be downgraded. The lower the rating the higher the risk of default.	✓	✓		✓	✓	✓	✓
Zero or Negative yield	The costs of using derivatives to implement a short position within a Sub-fund, for example short positions in currency or Government bonds, may result in a zero or negative yield on the portfolio. In such circumstances the Sub-fund may not make any distributions and any shortfall will be met from capital.				✓	✓	✓	✓

Fund Specific	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Emerging Markets	Securities markets in Emerging Market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in lack of liquidity. Accordingly, where a Sub-Fund invests substantially in securities listed or traded in such markets, its net asset value may be more volatile than a fund that invests in the securities of companies in developed countries. Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Sub-Fund. Many Emerging Markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess. Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region. Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk. These factors may lead to temporary suspension of dealing units in the Sub-fund.	✓	✓	✓	✓	✓	✓	✓
Investment in Funds	Collective investment schemes (funds) invest in a range of assets, each with its individual risks. While the Investment Manager will exercise due skill and care in selecting such schemes for investment, he will not have control over the management of these schemes or the fair pricing of the underlying securities. As such there is no guarantee that fair value of the Fund's underlying holdings is at all times reflected in the reported net asset value.	✓	✓	✓	✓	✓	✓	✓
Concentrated portfolios	Although the Investment Manager will seek to maximise thematic diversity wherever possible, in cases in which it is the fund Manager's opinion that opportunities are limited to a few areas, there may be higher than usual concentration of asset or market exposure.				✓	✓	✓	✓
Future launch of Hedged Share classes	The ACD may issue hedged Share Classes with market conditions largely dictating the timing of the launch.	✓	✓	✓	✓	✓	✓	✓

Fund Specific	Risk Warning	M&G Episode Allocation Fund	M&G Episode Growth Fund	M&G Managed Growth Fund	M&G Sustainable Multi Asset Fund	M&G Sustainable Multi Asset Cautious Fund	M&G Sustainable Multi Asset Balanced Fund	M&G Sustainable Multi Asset Growth Fund
Liabilities of the Fund	Shareholders are not liable for the debts of the Sub-fund. A Shareholder is not liable to make any further payment to the Sub-fund after he has paid in full for the purchase of Shares.	✓	✓	✓	✓	✓	✓	✓
Protected Cell - Foreign Courts	Whilst the Instrument of Incorporation provides for segregated liability between the Sub-funds, the concept of segregated liability may not be recognised and given effect by a court in certain contexts including where relevant contractual documents involving the Sub-funds are not construed in a manner to provide segregated liability. Where claims are brought by local creditors in foreign courts or under foreign contracts, and the liability relates to one Sub-fund which is unable to discharge its liability, it is not clear whether a foreign court would give effect to the segregated liability contained in the Instrument of Incorporation. Therefore, it is not possible to be certain that the assets of a sub-fund will always be completely insulated from the liabilities of another Sub-fund of the Company in every circumstance.	✓	✓	✓	✓	✓	✓	✓
Regular Redemption Facility	Shareholders using the Regular Redemption Facility should note that such redemptions are treated as disposals for the purposes of Capital Gains Tax. Shareholders should also note that where the annual percentage growth in value of their holding is less than the annual percentage value being redeemed using the Regular Redemption Facility, they will in effect be eroding the capital value of their original investment.		✓		✓	✓	✓	✓
Negative Interest Rates	Cash or money market instruments held in the Sub funds are subject to the prevailing interest rates in the specific currency of the asset. There may be situations where the interest rate environment results in rates turning negative. In such situations the Sub fund may have to pay to have money on deposit or hold the money market instrument.	✓	✓	✓	✓	✓	✓	✓

Appendix 1 – Details of the Sub-funds of M&G Investment Funds (4)

1.1 M&G Episode Allocation Fund

In relation to M&G Episode Allocation Fund, over 35% of the Scheme Property may be invested in Government and other public securities issued by any one of:

- the Government of the United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly and the National Assembly of Wales);
- the Governments of Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden;
- the Government of Australia, Canada, Japan, New Zealand, Switzerland, USA;
- Eurofima, European Economic Community, European Bank for Reconstruction and Development, European Investment Bank, International Bank for Reconstruction and Development, International Financial Corporation.

Investment objective

The Fund aims to deliver a total return (the combination of capital growth and income) of at least 5% per annum above the 3-month GBP LIBOR rate, before any charges are taken, over any five-year period.

There is no guarantee that the Fund will achieve a positive return over five years, or any other, period, and investors may not get back the original amount they invested.

Investment policy

The Fund is a multi-asset fund that invests across a range of asset classes, including equities, fixed income securities, convertibles, cash and near cash. Exposure to these assets may be gained either directly or indirectly via collective investment schemes or derivatives. The Fund may also invest indirectly via collective investment schemes or derivatives in other asset classes such as property and gold.

The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 30% of the fund exposed to sterling and a minimum of 60% in developed market currencies (including sterling).

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The fund manager has a flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the Manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. The Fund will typically invest 20-60% of its assets in equities and convertibles, 30-75% in fixed income securities or cash, and up to 20% in other assets. These allocations reflect the net exposure of the portfolio.

The Fund will typically take investment positions at index or sector level, but it may also take positions in individual shares or bonds. The Fund's investment strategy may involve the use of derivatives to take long or short positions.

Benchmark: 3-month GBP LIBOR + 5%

The Fund is actively managed. The benchmark is a target which the Fund seeks to achieve. The rate has been chosen as the Fund's target benchmark as it is an achievable performance target given the Fund's investment policy. The target benchmark is used solely to measure the Fund's performance objective and does not constrain the Fund's portfolio construction.

For unhedged Share Classes, the rate is shown in the Share Class currency.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class C – Accumulation and Income	GBP	500,000	25,000	500,000	N/A	25,000
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class X – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class C – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class X – Accumulation and Income	N/A	N/A	1.05
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

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

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	16 February 2007
Product Reference Number	636026

1.2 M&G Episode Growth Fund

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) net of the Ongoing Charge Figure, than the average return of the IA Mixed Investment 40-85% Shares Sector over any five-year period.

Investment policy

The Fund is a multi-asset fund that invests across a range of asset classes, including equities, fixed income securities, convertibles, cash and near cash. Exposure to these assets may be gained either directly or indirectly via collective investment schemes or derivatives. The Fund may also invest indirectly via collective investment schemes or derivatives in other asset classes such as property and gold.

The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 25% of the fund exposed to sterling and a minimum of 50% in developed market currencies (including sterling).

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The fund manager has a flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. The Fund will typically invest 40-85% of its assets in equities and convertibles, 15-50% in fixed income securities and cash, and up to 10% in other assets. These allocations reflect the net exposure of the portfolio.

The Fund will typically take investment positions at index or sector level, but it may also take positions in individual shares or bonds. The Fund's investment strategy may involve the use of derivatives to take long or short positions.

Benchmark:

IA Mixed Investment 40-85% Shares Sector

The benchmark is a target which the Fund seeks to outperform. The sector has been chosen as the Fund's benchmark as the Fund is a constituent of the sector. The benchmark is used solely to measure the fund's performance and does not constrain the Fund's portfolio construction.

The Fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the Fund.

For unhedged Share Classes, the benchmark is shown in the Share Class currency.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class C – Accumulation and Income	GBP	500,000	25,000	500,000	N/A	25,000
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class X – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class C – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class PP - Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class X – Accumulation and Income	N/A	N/A	1.05
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

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

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	20 June 2002
Product Reference Number	636024

1.3 M&G Managed Growth Fund

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) net of the Ongoing Charge Figure, than the average return of the IA Flexible Investment Sector over any five-year period.

Investment policy

The Fund is a multi-asset fund that invests at least 70% of its assets in other collective investment schemes in order to gain exposure to assets from anywhere in the world, including equities, fixed income, convertibles, cash, or near cash. The Fund may also invest directly in these assets.

In aggregate, the Fund will invest at least 70% of its assets in equities, either directly or via collective investment schemes.

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The fund manager's investment views are mainly implemented by investing in other funds. This will typically be via M&G's own funds, but the Fund may also invest in funds managed by other companies where appropriate in order to best reflect the fund manager's investment views.

The fund manager has a flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the fund manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to the market's reaction to events.

Benchmark:

IA Flexible Investment Sector

The benchmark is a target which the Fund seeks to outperform. The sector has been chosen as the Fund's benchmark as the Fund is a constituent of the sector. The benchmark is used solely to measure the fund's performance and does not constrain the Fund's portfolio construction.

The Fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the Fund.

For unhedged Share Classes, the benchmark is shown in the Share Class currency.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 August (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	100

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class C – Accumulation and Income	GBP	500,000	25,000	500,000	N/A	25,000
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class PP – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class X – Accumulation and Income	GBP	500	100	500	10	100
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class C – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class X – Accumulation and Income	N/A	N/A	1.05
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

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

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	20 June 2002
Product Reference Number	636025

1.4 M&G Sustainable Multi Asset Fund

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) of 4 to 8% per annum over any five-year period, net of the Ongoing Charges Figure. The Fund aims to provide this return while considering environmental, social and governance (ESG) factors.

There is no guarantee that the Fund will achieve a positive return over five years or any other period and investors may not get back the original amount they invested.

Investment policy

The Fund is a multi-asset fund that invests across a range of asset classes, including equities, fixed income securities, convertibles, cash and near cash. Exposure to these assets may be gained either directly or indirectly, via collective investment schemes or derivatives. The Fund may also invest indirectly in other asset classes such as property and gold.

The Fund invests in assets that meet the fund manager's ESG criteria or that have a positive societal impact, through addressing the world's major social and environmental challenges. Between 10% and 30% of the portfolio is invested in positive impact assets. All selected securities meet the fund manager's assessment of ESG or impact criteria through the use of third party ESG information and/or proprietary analysis.

In addition, the Fund aims to exclude securities issued by:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services.

Indirect investments are not subject to the same ESG restrictions as securities held directly. The fund manager will assess the suitability of such investments relative to the Fund's investment objective. If a derivative does not satisfy the Fund's ESG requirements, the Fund may only invest via the instrument to take advantage of short-term market movements.

The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 70% of the fund exposed to sterling.

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The Fund's approach to sustainable investment is through flexible asset allocation, whilst investing in securities issued by companies or governments that uphold high standards of environmental, social and governance behaviour. In addition, the Fund maintains a core holding of assets that have a positive societal impact through addressing the world's major social and environmental challenges.

The fund manager has a flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the fund manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. The Fund will typically invest 20-60% of its assets in equities and convertibles, 20-80% in fixed income securities or cash, and up to 20% in other assets. These allocations reflect the net exposure of the portfolio. The Fund's annualised volatility is expected to be between 4% and 7%, over any five-year period.

Benchmark: None

The Fund is actively managed and it has no benchmark. Investors can assess the performance of the Fund by its objective to provide a total return of 4 to 8% per annum over any five-year period. The Fund's annual report for each financial year will include details of the Fund's performance in relation to its objective.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	N/A
Sterling Class K – Accumulation and Income	GBP	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD
Sterling Class L – Accumulation and Income	GBP	20,000,000	50,000	20,000,000	N/A	50,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class K – Accumulation and Income	Upon agreement with the ACD	Upon agreement with the ACD	0.00

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class L – Accumulation and Income	N/A	N/A	0.45
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

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

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	14 February 2019
Product Reference Number	829524

1.5 M&G Sustainable Multi Asset Cautious Fund

Investment objective

The Fund has two aims:

- To limit the average volatility to 9% per annum over any five-year period while providing a total return (the combination of capital growth and income) over that period; and
- To invest in assets which meet the Fund's preferred ESG standards and/or those that provide a positive societal impact through addressing the world's major social and environmental challenges.

Investment policy

The Fund invests globally across a range of asset classes, including equities and equity-related securities, fixed income securities, cash and near cash. Exposure to these assets is typically gained directly, but may also be gained indirectly, via funds (including funds managed by M&G) or derivatives. The Fund may also invest to a limited extent indirectly in other asset classes such as property and gold.

Typically, the Fund holds 0-35% of its Net Asset Value in equities and equity-related securities, but there is no obligation on the fund manager to hold a particular level of equity exposure.

The Fund aims to exclude securities issued by:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption;
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services;
- Companies that derive more than 10% of their revenue from the distribution of tobacco, unconventional oil and gas extraction, and the production or distribution of other weapons;
- Conventional oil and gas extraction companies that derive less than 40% of their revenue from activities related to natural gas extraction or renewable energy sources; and
- Electricity utilities companies that derive more than 10% of their power production from coal, more than 30% from oil and gas, or nuclear fuel sources. However, the Fund may hold companies that have a clear business model of accelerating the transition to low-carbon power production, up to a maximum total limit of 5% of the Fund's Net Asset Value.

Where the Fund invests directly, these investments are required to meet the Fund's ESG criteria or impact criteria:

- The ESG criteria are designed to consider key ESG risks and identify companies and governments which meet preferred standards of ESG behaviour.
- The impact criteria are designed to identify investments that have a positive societal impact. Typically, the Fund holds 20%-50% of its Net Asset Value in positive impact assets. It always holds at least 20% of its Net Asset Value in positive impact assets and there is no cap on the level of positive impact exposure.

Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website: https://www.mandg.com/dam/investments/common/gb/en/documents/funds-literature/fund-specific-files/mandg-sustainable-multi-asset-funds-esg-policy-and-process.pdf

Indirect investments are not subject to the same ESG and/or impact restrictions as securities held directly. The fund manager will assess the suitability of such investments relative to the Fund's non-financial objective. For further details please see the M&G website. The only investments that are not subject to assessment relative to the Fund's non-financial objective are: the use of derivatives to take advantage of short-term market movements and to hedge currency exposures, and cash.

The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 70% of the Fund exposed to sterling.

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The Fund's approach to sustainable investment is to invest in securities issued by companies or governments that uphold high standards of ESG behaviour, as assessed using the Fund's ESG criteria. In addition, the Fund maintains a core holding of assets that have a positive societal impact, as assessed using the Fund's impact criteria. As part of the investment process, the fund manager considers the long-term sustainability of assets, including carbon intensity and climate adaptability.

The fund manager's assessment of ESG criteria and impact criteria relies upon the use of third-party ESG information and/or proprietary analysis. Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website.

Volatility is managed by using research to estimate the variation in value and risk of different types of assets. The Fund seeks to manage volatility and risk through flexible asset allocation, by investing globally across multiple asset classes, sectors, currencies and countries, in response to changes in economic conditions and asset values. This approach combines research to work out the anticipated value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities.

The Fund's volatility management objective may limit potential gains as well as losses.

Benchmark: IA Mixed Investment 0-35% Shares Sector

The benchmark is a comparator for the Fund's financial objective against which the Fund's financial performance can be measured. The sector has been chosen as the Fund's benchmark as it reflects the financial aspects of the Fund's investment policy. The comparator benchmark does not constrain the Fund's portfolio construction.

The Fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the Fund within the constraints set by the Fund's objective and investment policy.

An annual ESG and Positive Impact Review to provide an assessment of the non-financial objective of the Fund will be made available on the M&G website.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class F – Accumulation and Income	GBP	Nil	Nil	Nil	Nil	Nil

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	N/A
Sterling Class K – Accumulation and Income	GBP	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD
Sterling Class L – Accumulation and Income	GBP	20,000,000	50,000	20,000,000	N/A	50,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class F – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class K – Accumulation and Income	Upon agreement with the ACD	Upon agreement with the ACD	0.00
Sterling Class L – Accumulation and Income	N/A	N/A	0.45
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

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Investor Profile

The Fund is designed for retail and professional investors, and eligible counterparties seeking growth from a diversified multi asset portfolio with a specific risk profile, which deploys capital in a sustainable manner by investing in impact assets and companies and governments which uphold high standards of ESG behaviour. No specific financial knowledge is required, although investors should understand the Fund's risks and it may be used as a core offering, or as a component of a diversified portfolio to meet their investment needs.

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise. Additionally, the Fund's volatility management objective may limit potential gains as well as losses.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	8 December 2020
Product Reference Number	940558

1.6 M&G Sustainable Multi Asset Balanced Fund

Investment objective

The Fund has two aims:

- To limit the average volatility to 12% per annum over any five-year period while providing a total return (the combination of capital growth and income) over that period; and
- To invest in assets which meet the Fund's preferred ESG standards and/or those that provide a positive societal impact through addressing the world's major social and environmental challenges.

Investment policy

The Fund invests globally across a range of asset classes, including equities and equity-related securities, fixed income securities, cash and near cash. Exposure to these assets is typically gained directly, but may also be gained indirectly, via funds (including funds managed by M&G) or derivatives. The Fund may also invest to a limited extent indirectly in other asset classes such as property and gold.

Typically, the Fund holds 20-60% of its Net Asset Value in equities and equity related securities, but there is no obligation on the fund manager to hold a particular level of equity exposure.

The Fund aims to exclude securities issued by:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption;
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services;
- Companies that derive more than 10% of their revenue from the distribution of tobacco, unconventional oil and gas extraction, and the production or distribution of other weapons;
- Conventional oil and gas extraction companies that derive less than 40% of their revenue from activities related to natural gas extraction or renewable energy sources; and
- Electricity utilities companies that derive more than 10% of their power production from coal, more than 30% from oil and gas, or nuclear fuel sources. However, the Fund may hold companies that have a clear business model of accelerating the transition to low-carbon power production, up to a maximum total limit of 5% of the Fund's Net Asset Value.

Where the Fund invests directly, these investments meet the Fund's ESG criteria or impact criteria:

- The ESG criteria are designed to consider key ESG risks and identify companies and governments which meet preferred standards of ESG behaviour.
- The impact criteria are designed to identify investments that have a positive societal impact. Typically, the Fund holds 20%-50% of its Net Asset Value in positive impact assets. It always holds at least 20% of its Net Asset Value in positive impact assets and there is no cap on the level of positive impact exposure.

Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website: https://www.mandg.com/dam/investments/common/gb/en/documents/funds-literature/fund-specific-files/mandg-sustainable-multi-asset-funds-esg-policy-and-process.pdf

Indirect investments are not subject to the same ESG and/or impact restrictions as securities held directly. The fund manager will assess the suitability of such investments relative to the Fund's non-financial objective. For further details please see the M&G website.

The only investments that are not subject to assessment relative to the Fund's non-financial objective are: the use of derivatives to take advantage of short-term market movements and to hedge currency exposures, and cash.

The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 70% of the Fund exposed to sterling.

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The Fund's approach to sustainable investment is to invest in securities issued by companies or governments that uphold high standards of ESG behaviour, as assessed using the Fund's ESG criteria. In addition, the Fund maintains a core holding of assets that have a positive societal impact, as assessed using the Fund's impact criteria. As part of the investment process, the fund manager considers the long-term sustainability of assets, including carbon intensity and climate adaptability.

The fund manager's assessment of ESG criteria and impact criteria relies upon the use of third-party ESG information and/or proprietary analysis. Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website.

Volatility is managed by using research to estimate the variation in value and risk of different types of assets. The Fund seeks to manage volatility and risk through flexible asset allocation, by investing globally across multiple asset classes, sectors, currencies and countries, in response to changes in economic conditions and asset values. This approach combines research to work out the anticipated value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities.

The Fund's volatility management objective may limit potential gains as well as losses.

Benchmark: IA Mixed Investment 20-60% Shares Sector

The benchmark is a comparator for the Fund's financial objective against which the Fund's financial performance can be measured. The sector has been chosen as the Fund's benchmark as it reflects the financial aspects of the Fund's investment policy. The comparator benchmark does not constrain the Fund's portfolio construction.

The Fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the Fund within the constraints set by the Fund's objective and investment policy.

An annual ESG and Positive Impact Review to provide an assessment of the non-financial objective of the Fund will be made available on the M&G website.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class F – Accumulation and Income	GBP	Nil	Nil	Nil	Nil	Nil
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	N/A

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class K – Accumulation and Income	GBP	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD
Sterling Class L – Accumulation and Income	GBP	20,000,000	50,000	20,000,000	N/A	50,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class F – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class K – Accumulation and Income	Upon agreement with the ACD	Upon agreement with the ACD	0.00
Sterling Class L – Accumulation and Income	N/A	N/A	0.45
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

The Fund is designed for retail and professional investors, and eligible counterparties seeking growth from a diversified multi asset portfolio with a specific risk profile, which deploys capital in a sustainable manner by investing in impact assets and companies and governments which uphold high standards of ESG behaviour. No specific financial knowledge is required, although investors should understand the Fund's risks and it may be used as a core offering, or as a component of a diversified portfolio to meet their investment needs.

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise. Additionally, the Fund's volatility management objective may limit potential gains as well as losses.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	8 December 2020
Product Reference Number	940559

1.7 M&G Sustainable Multi Asset Growth Fund

Investment objective

The Fund has two aims:

- To limit the average volatility to 17% per annum over any five-year period while providing a total return (the combination of capital growth and income) over that period; and
- To invest in assets which meet the Fund's preferred ESG standards and/or those that provide a positive societal impact through addressing the world's major social and environmental challenges.

Investment policy

The Fund invests globally across a range of asset classes, including equities and equity-related securities, fixed income securities, cash and near cash. Exposure to these assets is typically gained directly, but may also be gained indirectly, via funds (including funds managed by M&G) or derivatives. The Fund may also invest to a limited extent indirectly in other asset classes such as property and gold.

Typically, the Fund holds 55-100% of its Net Asset Value in equities and equity related securities, but there is no obligation on the fund manager to hold a particular level of equity exposure.

The Fund aims to exclude securities issued by:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption;
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services;
- Companies that derive more than 10% of their revenue from the distribution of tobacco, unconventional oil and gas extraction, and the production or distribution of other weapons;
- Conventional oil and gas extraction companies that derive less than 40% of their revenue from activities related to natural gas extraction or renewable energy sources; and
- Electricity utilities companies that derive more than 10% of their power production from coal, more than 30% from oil and gas, or nuclear fuel sources. However, the Fund may hold companies that have a clear business model of accelerating the transition to low-carbon power production, up to a maximum total limit of 5% of the Fund's Net Asset Value.

Where the Fund invests directly, these investments meet the Fund's ESG criteria or impact criteria:

- The ESG criteria are designed to consider key ESG risks and identify companies and governments which meet preferred standards of ESG behaviour.
- The impact criteria are designed to identify investments that have a positive societal impact. Typically, the Fund holds 20%-50% of its Net Asset Value in positive impact assets. It always holds at least 20% of its Net Asset Value in positive impact assets and there is no cap on the level of positive impact exposure.

Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website:

https://www.mandg.com/dam/investments/common/gb/en/documents/funds-literature/fund-specific-files/mandg-sustainable-multi-asset-funds-esg-policy-and-process.pdf

Indirect investments are not subject to the same ESG and/or impact restrictions as securities held directly. The fund manager will assess the suitability of such investments relative to the Fund's non-financial objective. For further details please see the M&G website.

The only investments that are not subject to assessment relative to the Fund's non-financial objective are: the use of derivatives to take advantage of short-term market movements and to hedge currency exposures, and cash.

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The currency exposure of the Fund will be actively managed, seeking to enhance returns, with a minimum of 70% of the Fund exposed to sterling.

Derivatives may be used for investment purposes, Efficient Portfolio Management and hedging.

Investment approach

The Fund's approach to sustainable investment is to invest in securities issued by companies or governments that uphold high standards of ESG behaviour, as assessed using the Fund's ESG criteria. In addition, the Fund maintains a core holding of assets that have a positive societal impact, as assessed using the Fund's impact criteria. As part of the investment process, the fund manager considers the long-term sustainability of assets, including carbon intensity and climate adaptability.

The fund manager's assessment of ESG criteria and impact criteria relies upon the use of third-party ESG information and/or proprietary analysis. Further information on M&G's approach to ESG standards and exclusions and impact criteria can be found on the M&G website.

Volatility is managed by using research to estimate the variation in value and risk of different types of assets. The Fund seeks to manage volatility and risk through flexible asset allocation, by investing globally across multiple asset classes, sectors, currencies and countries, in response to changes in economic conditions and asset values. This approach combines research to work out the anticipated value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities.

The Fund's volatility management objective may limit potential gains as well as losses.

Benchmark: IA Flexible Investment Sector
The benchmark is a comparator for the Fund's financial objective against which the Fund's financial performance can be measured. The sector has been chosen as the Fund's benchmark as it reflects the financial aspects of the Fund's investment policy. The comparator benchmark does not constrain the Fund's portfolio construction.

The Fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the Fund within the constraints set by the Fund's objective and investment policy.

An annual ESG and Positive Impact Review to provide an assessment of the non-financial objective of the Fund will be made available on the M&G website.

Accounting reference date: 31 October

Income allocation date: On or before 28 February (Final); 31 May, 31 August, 30 November (Interim)

Investment Minima

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class A – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class F – Accumulation and Income	GBP	Nil	Nil	Nil	Nil	Nil
Sterling Class I – Accumulation and Income	GBP	500,000	10,000	500,000	N/A	N/A

Share Classes in issue or available for issue	Currency	Lump sum initial Investment	Lump sum subsequent investment	Lump sum holding	Regular Savings (per month)	Redemption
Sterling Class K – Accumulation and Income	GBP	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD	Upon agreement with the ACD
Sterling Class L – Accumulation and Income	GBP	20,000,000	50,000	20,000,000	N/A	50,000
Sterling Class PP - Accumulation and Income	GBP	500,000	10,000	500,000	N/A	10,000
Sterling Class R – Accumulation and Income	GBP	500	100	500	10	10
Sterling Class Z – Accumulation and Income	GBP	20,000,000	500,000	20,000,000	N/A	500,000

Information on which Share Classes are currently being issued can be found on www.mandg.com/classesinissue

Share Classes in issue or available for issue	Initial Charge %	Redemption Charge %	Annual Charge %
Sterling Class A – Accumulation and Income	N/A	N/A	1.05
Sterling Class F – Accumulation and Income	N/A	N/A	0.00
Sterling Class I – Accumulation and Income	N/A	N/A	0.65
Sterling Class K – Accumulation and Income	Upon agreement with the ACD	Upon agreement with the ACD	0.00
Sterling Class L – Accumulation and Income	N/A	N/A	0.45
Sterling Class PP – Accumulation and Income	N/A	N/A	0.55
Sterling Class R – Accumulation and Income	N/A	N/A	0.90
Sterling Class Z – Accumulation and Income	N/A	N/A	0.00

See Section 28. Charges and Expenses above for further detail on the charges, and the potential discount to the Annual Charge. The current Annual Charge including any discounts currently applicable to each Share Class per Sub-Fund can be found at www.mandg.co.uk

Investor Profile

The Fund is designed for retail and professional investors, and eligible counterparties seeking growth from a diversified multi asset portfolio with a specific risk profile, which deploys capital in a sustainable manner by investing in impact assets and companies and governments which uphold high standards of ESG behaviour. No specific financial knowledge is required, although investors should understand the Fund's risks and it may be used as a core offering, or as a component of a diversified portfolio to meet their investment needs.

Investors should be looking to invest for at least five years and should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise. Additionally, the Fund's volatility management objective may limit potential gains as well as losses.

Other Information

Investment Manager	M&G Investment Management Limited
Valuation point	12.00 noon UK time
Launch date	8 December 2020
Product Reference Number	940560

Appendix 2 – Investment Management and borrowing powers of the Company

1 General rules of investment

The property of the Company will be invested with the aim of achieving the investment objective of each sub-fund but subject to the limits on investment set out in Chapter 5 of the COLL Sourcebook (COLL 5.6) that are applicable to Non-UCITS Retail Schemes. These limits apply to each sub-fund as summarised below.

Each sub-fund's investment policy may mean that at times, where it is considered appropriate, the property of a sub-fund will not be fully invested and that prudent levels of liquidity will be maintained.

2 Prudent spread of risk

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

3 Treatment of obligations

Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of a sub-fund under any other of those rules has also to be provided for.

Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

3.1.1 it must be assumed that in applying any of those rules, a sub-fund must also simultaneously satisfy any other obligation relating to cover; and

3.1.2 no element of cover must be used more than once.

4 Non-UCITS Retail Schemes – general

Subject to the investment objectives and policy of a sub-fund, the Scheme Property must, except where otherwise provided in chapter 5 of the COLL Sourcebook, only consist of any or all of:

4.1.1 transferable securities;

4.1.2 money market instruments;

4.1.3 deposits;

4.1.4 units in collective investment schemes;

4.1.5 derivatives and forward transactions;

4.1.6 immovables; and

4.1.7 gold (up to a limit of 10% in value of the Scheme Property).

The requirements on spread and investment in government and public securities do not apply during any period during which it is not reasonable to comply provided that the requirement to maintain prudent spread of risk is complied with.

It is not intended that any sub-fund will invest directly in immovable property, tangible movable property or gold.

5 Transferable securities

A transferable security is an investment falling within article 76 (Shares etc), article 77 (Instruments creating or acknowledging indebtedness), article 78 (Government and public securities), article 79 (Instruments giving entitlement to investments) and article 80 (Certificates representing certain securities) of the Regulated Activities Order.

5.1.1 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.

5.1.2 In applying paragraph 5.1.1 to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (Shares, etc) or 77 (Instruments creating or acknowledging indebtedness) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

5.1.3 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

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

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

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

6.1.1 admitted to or dealt on an eligible market (as described in paragraph 10.3.1); or

6.1.2 for an approved money market instrument not admitted to or dealt in on an eligible market, within 10.3.2; or

6.1.3 recently issued transferable securities provided that:

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

6.1.3.2 such admission is secured within a year of issue.

However, a sub-fund may invest no more than 20% of the scheme property in transferable securities and/or money-market instruments other than those referred to in 6.1

7 Money-market instruments with a regulated issuer

In addition to instruments admitted to or dealt in on an eligible market, a sub-fund may invest in an approved money-market instrument provided it fulfils the following requirements:

7.1.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and

7.1.2 the instrument is issued or guaranteed in accordance with Section 8 (issuers and guarantors of money market instruments).

The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:

7.1.3 the instrument is an approved money-market instrument;

7.1.4 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with Section 9 (appropriate information for money market instruments); and

the instrument is freely transferable.

8 Issuers and guarantors of money-market instruments

A sub-fund may invest in an approved money-market instrument if it is:

8.1.1 issued or guaranteed by any one of the following:

8.1.1.1 a central authority of the United Kingdom, an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

8.1.1.2 a regional or local authority of the United Kingdom, or an EEA State;

8.1.1.3 the Bank of England, the European Central Bank or a central bank of an EEA State;

8.1.1.4 the European Union or the European Investment Bank;

8.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

8.1.1.6 a public international body to which one or more EEA States belong; or

8.1.2 issued by a body, any securities of which are dealt in on an eligible market; or

8.1.3 issued or guaranteed by an establishment which is:

8.1.3.1 subject to prudential supervision in accordance with criteria defined by UK or EU law; or

8.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU law.

8.2 An establishment shall be considered to satisfy the requirement in 8.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

8.1.4 8.2.1 it is located in the European Economic Area;

8.2.2 it is located in an OECD country belonging to the Group of Ten;

8.2.3 it has at least investment grade rating;

8.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by EU law.

9 Appropriate information for money-market instruments

In the case of an approved money-market instrument within 8.1.2 or issued by a body of the type referred to in COLL 5.2.10E(G); or which is issued by an authority within 8.1.1.2 or a public international body within 8.1.1.6 but is not guaranteed by a central authority within 8.1.1.1, the following information must be available:

9.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

9.1.2 updates of that information on a regular basis and whenever a significant event occurs; and available and reliable statistics on the issue or the issuance programme.

In the case of an approved money-market instrument issued or guaranteed by an establishment within 8.1.3, the following information must be available:

9.1.3 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;

9.1.4 updates of that information on a regular basis and whenever a significant event occurs; and

9.1.5 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

In the case of an approved money-market instrument:

9.1.6 within 8.1.1.1, 8.1.1.4 or 8.1.1.5; or

9.1.7 which is issued by an authority within 8.1.1.2 or a public international body within 8.1.1.6 and is guaranteed by a central authority within 8.1.1.1;

information must be available on both the issue or the issuance programme, and on the legal and financial situation of the issuer prior to the issue of the instrument.

10 Eligible markets regime: purpose

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

Where a market ceases to be eligible, investments on that market cease to be approved securities. The 20% restriction on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

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

10.1.1 a regulated market; or

10.1.2 a market in the United Kingdom, or an EEA State which is regulated, operates regularly and is open to the public.

A market not falling within paragraph 10.3 is eligible for the purposes of Chapter 5 of the COLL Sourcebook if:

10.1.3 the ACD, after consultation and notification with the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

10.1.4 the market is included in a list in the prospectus; and

10.1.5 the Depositary has taken reasonable care to determine that:

10.1.5.1 adequate custody arrangements can be provided for the investment dealt in on that market; and

10.1.5.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

In paragraph 10.4.1 a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

The eligible markets for each sub-fund are set out in Appendix 1.

11 Spread: general

This section on spread does not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.2.1R (Spread: government and public securities) applies.

Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.

Not more than 10% in value of the Scheme Property is to consist of transferable securities or money market instruments issued by any single body subject to COLL 5.6.23R (Schemes replicating an index)

The limit of 10% in 11.3 is raised to 25% in value of the scheme property in respect of covered bonds.

In applying paragraph 11.3 certificates representing certain securities are treated as equivalent to the underlying security.

The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the Scheme Property.

Not more than 35% in value of Scheme Property is to consist of units of any one collective investment scheme.

For the purpose of calculating the limit in paragraph 11.6, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets the following conditions:

11.1.1 the collateral is marked-to-market on a daily basis and exceeds the value of the amount at risk;

11.1.2 is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;

11.1.3 is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and

11.1.4 can be fully enforced by the Company at any time.

For the purpose of calculating the limit in paragraph 11.6, OTC derivative positions with the same counterparty may be netted provided that the netting provisions comply with the conditions set out in COLL 5.6.7R(9).

In applying this Section 11, all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee and is characterised by a daily mark-to-market valuation of the derivative positions and an at least daily margining.

12 Spread: Government and public securities

The following section applies to Government and public securities ("such securities").

Where no more than 35% in value of the Scheme Property of a sub-fund is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in such securities issued by any one body or of any one issue.

A sub-fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:

12.1.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of a sub-fund;

12.1.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;

12.1.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues.

In relation to such securities:

12.1.4 issue, issued and issuer include guarantee, guaranteed and guarantor; and

12.1.5 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

13 Investment in collective investment schemes

A sub-fund may invest in units or shares in other collective investment schemes ("second scheme") provided that the investment is permitted under paragraphs 13.2.1 to 13.2.4

13.1.1 Not more than 10% in value of M&G Sustainable Multi Asset Fund, M&G Sustainable Multi Asset Cautious Fund, M&G Sustainable Multi Asset Balanced Fund, and M&G Sustainable Multi Asset Growth Fund is to consist of units in these second schemes.

The second scheme is a scheme which:

13.1.2 complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or

13.1.3 is a Non-UCITS Retail Scheme; or

13.1.4 is recognised under the provisions of Section 264, 270 or 272 of the Financial Services and Markets Act 2000 (Schemes constituted in other EEA states, Schemes authorised in designated countries or territories and Individually Recognised Schemes); or

13.1.5 is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a Non-UCITS Retail Scheme; or

13.1.6 is a scheme not falling within paragraphs 13.2.1 to 13.2.4 and in respect of which no more than 20% in value of the Scheme Property (including any transferable securities which are not approved securities) is invested.

The second scheme operates on the principle of the prudent spread of risk;

The second scheme has terms which prohibit more than 15% in value of the scheme property consisting of units in collective investment schemes;

The participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price related to the net value of the property to which the units relate and determined in accordance with the scheme.

Where the second scheme is an umbrella, the provisions in paragraphs 13.3, 13.4 and 13.5 and COLL 5.6.7R (Spread: general) apply to each sub-fund as if it were a separate scheme.

In accordance with 5.6.11R of the COLL Sourcebook (Investment in other group schemes) each of the sub-funds may invest in collective investment schemes managed or operated by (or, if it is an open-ended investment company has as its authorised corporate director), the ACD or an Associate of the ACD.

A Sub-fund must not invest in or dispose of units in another collective investment scheme (the second scheme), which is managed or operated by (or in the case of an open-ended investment company has as its authorised corporate director), the ACD, or an Associate of the ACD, unless:

13.1.7 there is no charge in respect of the investment in or the disposal of units in the second scheme; or

13.1.8 the ACD is under a duty to pay to the sub-fund by the close of business on the fourth business day next after the agreement to buy or to sell the amount referred to in paragraphs 13.8.3 and 13.8.4;

13.1.9 on investment, either:

13.1.9.1 any amount by which the consideration paid by the sub-fund for the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or

13.1.9.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the second scheme;

13.1.10 on disposal, the amount of any charge made for the account of the authorised fund manager or operator of the second scheme or an Associate of any of them in respect of the disposal; and

In this section:

13.1.11 any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy made in accordance with the COLL Sourcebook, is to be treated as part of the price of the units and not as part of any charge; and

13.1.12 any switching charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

A Sub-fund may invest in or dispose of shares in another sub-fund of the Company (the second Sub-Fund) provided that the second sub-fund does not hold shares in any other sub-fund in the Company.

In respect of M&G Managed Growth Fund, the country of domicile of each second scheme is the United Kingdom, an EEA state or within the Channel Islands.

14 Investment in nil and partly paid securities

No Sub-fund must invest in nil and partly paid securities unless the investment complies with the conditions in COLL 5.2.17R (Investment in nil and partly paid securities).

15 Investment in deposits

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

16 Derivatives - General

Under the COLL Sourcebook derivatives are permitted for Non-UCITS Retail Schemes for investment purposes and derivative transactions may be used for the purposes of Efficient Portfolio Management (including hedging) or meeting the investment objectives or both.

A transaction in derivatives or a forward transaction must not be effected for a sub-fund unless the transaction is of a kind specified in Section 17 below (Permitted transactions (derivatives and forwards)); and the transaction is covered, as required by Section 24 (Cover for transactions in derivatives and forward transactions).

Where a Sub-fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in COLL in relation to spread (COLL 5.6.7 R Spread: general and COLL 5.6.8 R Spread: government and public securities) except for index based derivatives where the rules below apply.

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.

Where a scheme invests in an index based derivative, provided the relevant index falls within COLL 5.6.23 the underlying constituents of the index do not have to be taken into account for the purposes of the rules on spread in COLL. The relaxation is subject to the ACD continuing to ensure that the Scheme Property provides a prudent spread of risk.

17 Permitted transactions (derivatives and forwards)

A transaction in a derivative must be in an approved derivative; or be one which complies with Section 21 (OTC transactions in derivatives).

A transaction in a derivative must have the underlying consisting of any or all of the following to which the scheme is dedicated: transferable securities, permitted money market instruments, deposits, permitted derivatives under this section, collective investment scheme units permitted under Section 13 (Investment in collective investment schemes), financial indices, interest rates, foreign exchange rates and currencies or all of the attributes thereof.

A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

A transaction in a derivative must not cause a sub-fund to diverge from its investment objectives as stated in the Instrument constituting the scheme and the most recently published version of this Prospectus.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, money market instruments, units in collective investment schemes, or derivatives.

Any forward transaction must be with an Eligible Institution or an Approved Bank.

18 Financial indices underlying derivatives

The financial indices referred to in paragraph 17.2 are those which satisfy the following criteria:

18.1.1 the index is sufficiently diversified;

18.1.2 the index represents an adequate benchmark for the market to which it refers; and

18.1.3 the index is published in an appropriate manner.

A financial index is sufficiently diversified if:

18.1.4 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

18.1.5 where it is composed of assets in which the scheme is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread set out in this Appendix; and

18.1.6 where it is composed of assets in which the scheme cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread set out in this Appendix.

A financial index represents an adequate benchmark for the market to which it refers if:

18.1.7 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

18.1.8 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

18.1.9 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

A financial index is published in an appropriate manner if:

18.1.10 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

18.1.11 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 17.2 be regarded as a combination of those underlyings.

19 Transactions for the purchase of property

A derivative or forward transaction which will or could lead to the delivery of property for the account of a sub-fund may be entered into only if that property can be held for the account of the sub-fund, and the

ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in the COLL Sourcebook.

20 Requirement to cover sales

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

Paragraph 20.1 does not apply where:

20.1.1 the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or

20.1.2 the ACD or the Depositary has the right to settle the derivative in cash and cover exists within the Scheme Property which falls within one of the following asset Classes:

- cash;
- liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or
- other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

20.1.3 In the asset classes referred to in 20.2.2, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market.

21 OTC transactions in derivatives

Any transaction in an OTC derivative under Section 17 must be:

21.1.1 in a future or an option or a contract for differences;

21.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the FCA Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

21.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, before the transaction is entered into, the Depositary is satisfied that the counterparty has agreed with a sub-fund or the ACD: to provide, at least daily and at any other time at the request of the sub-fund or the ACD; a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction) and which does not rely on market quotations by the counterparty; and that it will, at the request of the sub-fund or the ACD, enter into a further transaction to close out that transaction at any time, at a fair value arrived at under the reliable market value basis or pricing model agreed under the following paragraph; and

21.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy: on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or if this value is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

21.1.5 subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by an appropriate third party which is independent from the counterparty of the derivative, at

an adequate frequency and in such a way that the ACD is able to check it; or a department within the ACD which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

22 Valuation of OTC derivatives

For the purposes of paragraph 21.1.2, the ACD must:

22.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Fund to OTC derivatives; and

22.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

Where the arrangements and procedures referred to in paragraph 22.1.1 involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

The arrangements and procedures referred to in this rule must be:

22.1.3 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

22.1.4 adequately documented.

23 Risk management

The ACD uses a risk management process, as reviewed by the Depositary, enabling it to monitor and measure as frequently as appropriate the risk of a sub-fund's positions and their contribution to the overall risk profile of the sub-fund.

The following details of the risk management process must be regularly notified by the ACD to the FCA and at least on an annual basis:

23.1.1 a true and fair view of the types of derivatives and forward transactions to be used within a Sub-Fund together with their underlying risks and any relevant quantitative limits; and

23.1.2 the methods for estimating risks in derivative and forward transactions.

The ACD has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of each sub-fund and to ensure the liquidity profile of the investments of each sub-fund will facilitate compliance with its underlying obligations.

The ACD's liquidity policy takes into account the investment strategy, the liquidity profile, redemption policy and other underlying obligations of each sub-fund. The liquidity management systems and procedures include appropriate escalation measures to address anticipated or actual liquidity shortages or other distressed situations of each sub-fund.

In summary, the liquidity management policy monitors the profile of investments held by each sub-fund and ensures that such investments are appropriate to the redemption policy as set out in this Prospectus. Further, the liquidity management policy includes details of measures taken by the ACD to manage the liquidity risk of each sub-fund in exceptional and extraordinary circumstances.

The liquidity management systems and procedures allow the ACD to apply various tools and arrangements necessary to ensure that each sub-fund is sufficiently liquid to respond appropriately to redemption requests normally. In normal circumstances, redemption requests will be processed as set out in 14 'Selling Shares'.

Other arrangements may also be used in response to redemption requests, including, in exceptional circumstances, the temporary suspension of the sale and redemption of Shares or any class of Share. This

would restrict the redemption rights Shareholders benefit from in normal circumstances as set out above under 21 'Suspension of dealings in the Company'.

24 Derivatives exposure

A sub-fund may invest in derivatives and forward transactions as long as the exposure to which the sub-fund is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.

Cover ensures that a sub-fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, the sub-fund must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the sub-fund is committed. Section 25 (Cover for transactions in derivatives and forward transactions) sets out detailed requirements for cover of a sub-fund.

Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

25 Cover for transactions in derivatives and forward transactions

A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the scheme is or may be committed by another person is covered globally.

Exposure is covered globally if adequate cover from within the Scheme Property is available to meet the scheme's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

Cash not yet received into the Scheme Property but due to be received within one month is available as cover.

Property the subject of a stock lending transaction is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

The total exposure relating to derivatives held in a sub-fund may not exceed the net value of the Scheme Property.

26 Daily calculation of global exposure

The ACD must calculate the global exposure of a Sub-Fund on at least a daily basis.

For the purposes of this section, exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

27 Calculation of global exposure

The ACD must calculate the global exposure of any Sub-Fund it manages either as:

27.1.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in Section 16 (Derivatives: general), which may not exceed 100% of the Net Asset Value of the scheme property of a Sub-Fund, by way of the commitment approach; or

27.1.2 the market risk of the scheme property of a Sub-Fund, by way of the value at risk approach.

The ACD must ensure that the method selected above is appropriate, taking into account:

27.1.3 the investment strategy pursued by the Sub-Fund;

27.1.4 the types and complexities of the derivatives and forward transactions used; and

27.1.5 the proportion of the scheme property comprising derivatives and forward transactions.

Where a Sub-Fund employs techniques and instruments including repo contracts or stock lending transactions in accordance with Section 39 (Stock lending) in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.

For the purposes of paragraph 27.1, value at risk means a measure of the maximum expected loss at a given confidence level over the specific time period.

The ACD calculates the global exposure of M&G Managed Growth Fund, M&G Episode Allocation Fund and M&G Episode Growth Fund, M&G Sustainable Multi Asset Fund, M&G Sustainable Multi Asset Cautious Fund, M&G Sustainable Multi Asset Balanced Fund, and M&G Sustainable Multi Asset Growth Fund, using the value at risk (VaR) based techniques. VaR measure each fund's sensitivity to core market risk factors such as credit risk and interest rates. VaR is a technique used to estimate the probability of portfolio losses based on statistical analysis of historical price trends and volatilities.

28 Commitment approach

Where the ACD uses the commitment approach for the calculation of global exposure, it must:

28.1.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in Section 16 (Derivatives: general), whether used as part of the Sub-Fund's general investment policy, for the purposes of risk reduction or for the purposes of Efficient Portfolio Management in accordance with Section 39 (Stock lending); and

28.1.2 convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward (standard commitment approach).

The ACD may apply other calculation methods which are equivalent to the standard commitment approach.

For the commitment approach, the ACD may take account of netting and hedging arrangements when calculating global exposure of a Sub-Fund, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure.

Where the use of derivatives or forward transactions does not generate incremental exposure for the Sub-Fund, the underlying exposure need not be included in the commitment calculation.

Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Sub-Fund in accordance with Section 34 need not form part of the global exposure calculation.

29 Cover and borrowing

Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is available for cover under the previous Section 25 (Cover for transactions in derivatives and forward transactions) as long as the normal limits on borrowing (see below) are observed.

Where, for the purposes of this section a sub-fund borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time on deposit with the lender (or his agent or nominee), then this applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property, and the normal limits on borrowing under Section 31 (General power to borrow) do not apply to that borrowing.

30 Cash and near cash

Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:

30.1.1 the pursuit of a sub-fund's investment objectives; or

30.1.2 the redemption of units; or

30.1.3 efficient management of a sub-fund in accordance with its investment objectives; or

30.1.4 other purposes which may reasonably be regarded as ancillary to the investment objectives of the sub-fund.

During the period of the initial offer the Scheme Property may consist of cash and near cash without limitation.

31 General power to borrow

The Company may, in accordance with this section and Section 32 (Borrowing limits), borrow money for the use of the sub-funds on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the sub-fund to comply with any restriction in the Instrument of Incorporation.

The Company may borrow under paragraph 3.1.1 only from an Eligible Institution or an Approved Bank.

32 Borrowing limits

The ACD must ensure that a sub-fund's borrowing does not, on any business day, exceed 10% of the value of the Scheme Property.

These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes.

33 Restrictions on lending of money

None of the money in the Scheme Property may be lent and, for the purposes of this prohibition, money is lent by a sub-fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

Acquiring a debenture is not lending for the purposes of Section 28; nor is the placing of money on deposit or in a current account.

Paragraph 33.1 does not prevent the Company from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Company (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

34 Restrictions on lending of property other than money

The Scheme Property other than money must not be lent by way of deposit or otherwise.

Transactions permitted by Section 39 (Stocklending) are not lending for the purposes of paragraph 24.1.

Nothing in this section prevents the Company or the Depositary at the request of the Company from lending, depositing, pledging or charging Scheme Property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Fund in accordance with any other of the provisions in the Appendix.

35 General power to accept or underwrite placings

Any power in Chapter 5 of the COLL Sourcebook to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation.

This section applies, subject to paragraph 35.3, to any agreement or understanding:

35.1.1 which is an underwriting or sub-underwriting agreement; or

35.1.2 which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Sub-fund.

Paragraph 35.2 does not apply to:

35.1.3 an option; or

35.1.4 a purchase of a transferable security which confers a right:

35.1.5 to subscribe for or acquire a transferable security; or

35.1.5.1 to convert one transferable security into another.

35.1.6 The exposure of a sub-fund to agreements and understandings within paragraph 35.2 must, on any business day:

35.1.6.1 be covered in accordance with the requirements of COLL 5.3.3R of the COLL Sourcebook; and

35.1.6.2 be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in Chapter 5 of the COLL Sourcebook.

36 Guarantees and indemnities

The ACD or the Depositary, for the account of the Company, must not provide any guarantee or indemnity in respect of the obligation of any person.

None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

Paragraphs 36.1 and 36.2 do not apply in respect of the sub-funds to an indemnity given for margin requirements where derivatives or forward transactions are being used in accordance with COLL 5, and:

36.1.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA rules;

36.1.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

36.1.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

36.1.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the sub-fund and the holders of units in that scheme become the first shareholders in the sub-fund.

37 Efficient portfolio management techniques

The sub-funds may use property to enter into transactions for the purposes of hedging and use within Efficient Portfolio Management ('EPM') and may enter into any transaction to hedge (i.e. with the purpose of preserving the value of an asset or assets of a sub-fund).

Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives (i.e. options, futures forward transactions or contracts for differences) dealt in or traded on an eligible derivatives market; off-exchange futures, options or contracts for differences resembling options; or synthetic futures in certain circumstances. The sub-funds may enter into approved derivative transactions on derivatives markets which are eligible. Eligible derivatives markets are those which the ACD after consultation with the Depositary has decided are appropriate for the purpose of investment of or dealing in the scheme property with regard to the relevant criteria set out in the Regulations and the Guidance on eligible markets issued by the FCA as amended from time to time.

The eligible derivatives markets for the sub-funds are set out in Appendix 3.

New eligible derivatives markets may be added to a sub-fund in accordance with the Regulations and only after the ACD has revised the prospectus accordingly.

Any forward transactions must be with an approved counter-party (Eligible Institutions, money market institutions etc). A derivatives or forward transaction which would or could lead to delivery of Scheme Property to the Depositary in respect of the sub-fund may be entered into only if such scheme property can be held by the sub-fund, and the ACD reasonably believes that delivery of the property pursuant to the transaction will not lead to a breach of the Regulations.

There is no limit on the amount of the Scheme Property which may be used for EPM but the transactions must satisfy three broadly-based requirements:

37.1.1 A transaction must reasonably be believed by the ACD to be economically appropriate to the Efficient Portfolio Management of the sub-fund. This means that, for transactions undertaken to reduce risk or cost (or both) must alone or in combination with other EPM transactions diminish a risk or cost of a kind or level which it is sensible to reduce and transactions undertaken to generate additional capital or income must confer a benefit on the sub-fund.

37.1.2 EPM must not include speculative transactions.

37.1.3 The purpose of an EPM transaction for the sub-fund must be to achieve one of the following aims in respect of a sub-fund:

- reduction of risk
- reduction of cost
- the generation of additional capital or income

37.1.3.1 Reduction of risk allows for the use of the technique of cross-currency hedging in order to switch all or part of the sub-funds' exposure away from a currency the ACD considers unduly prone to risk, to another currency. This aim also permits the use of stock index contracts to change the exposure from one market to another, a technique known as 'tactical asset allocation'.

37.1.3.2 Reduction of cost allows for the use of futures or options contracts, either on specific stocks or on an index, in order to minimise or eliminate the effect of changing prices of stocks to be bought or sold.

37.1.3.3 The aims of reduction of risk or cost, together or separately, allow the ACD on a temporary basis to use the technique of tactical asset allocation. Tactical asset allocation permits the ACD to undertake a switch in exposure by use of derivatives, rather than through the sale and purchase of the scheme property. If an EPM transaction for the sub-fund relates to the acquisition or potential acquisition of transferable securities, the ACD must intend that the Company should invest in transferable securities within a reasonable time and the ACD must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.

37.1.3.4 The generation of additional capital or income for the sub-fund with no or an acceptably low level of risk means the ACD reasonably believes that the sub-funds is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit.

The generation of additional capital or income may arise out of taking advantage of price imperfections or from the receipt of a premium for writing of covered call or covered put options (even if the benefit is obtained at the expense of the chance of yet greater benefit) or pursuant to stock lending arrangements as permitted by the Regulations.

The relevant purpose must relate to Scheme Property; scheme property (whether precisely identified or not) which is to be or is proposed to be acquired for the Company; and anticipated cash receipts of the Company, if due to be received at some time and likely to be received within one month.

Each EPM transaction for the M&G Managed Growth Fund must be fully covered "individually" by scheme property of the right kind (i.e. in the case of exposure in terms of property, appropriate transferable

securities or other property; and, in the case of exposure in terms of money, cash, near- cash instruments, borrowed cash or transferable securities which can be easily sold to realise the appropriate cash). For all other sub-funds in the Company the Efficient Portfolio Management technique transactions must, as a minimum standard of cover, It must be covered "globally" (i.e. after providing cover for existing Efficient Portfolio Management technique EPM transactions there is adequate cover for another EPM transaction within the scheme property, so there can be no gearing) but may be covered individually if the Manager deems this appropriate following its assessment of the risk profile of the sub-fund. Scheme property and cash can be used only once for cover and, generally, scheme property is not available for cover if it is the subject of a stocklending transaction. The EPM lending transaction in a back to back currency borrowing (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates) does not require cover.

38 Scheme replicating an index

A sub-fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the aim of the investment policy of the sub-fund as stated in its most recently published prospectus is to replicate the performance or composition of an index within 38.2.

The index must:

38.1.1 have a sufficiently diversified composition;

38.1.2 be a representative benchmark for the market to which it refers; and

38.1.3 be published in an appropriate manner.

The limit in 38.1 may be raised for a particular scheme up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.

39 Stock lending

As an extension of Efficient Portfolio Management techniques explained above, the ACD or the Depositary at the request of the ACD, may enter into certain repo contracts or stock lending arrangements in respect of the ACD. Briefly, such arrangements are those where the ACD or the Depositary delivers securities which are the subject of the transaction to a third party in return for which it is agreed that those securities or securities of the same kind and amount should be redelivered to the ACD or the Depositary at a later date. The ACD or the Depositary at the time of delivery receives collateral to cover against the risk of the future redelivery not being completed. There is no limit on the value of the property of the Company which may be the subject of stock lending arrangements.

Such arrangements must always comply with the requirements of the Taxation of Chargeable Gains Act 1992, the requirements of the COLL Sourcebook and the Guidance on Stock lending issued by the FCA as amended from time to time.

Underwriting and sub-underwriting contracts and placings may also, subject to certain conditions set out in the COLL Sourcebook, be entered into for the account of the Fund.

40 Underwriting

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

41 Borrowing Powers

The ACD may, on the instructions of the Company and subject to the Regulations, borrow money from an eligible institution or an approved bank for the use of the Company on the terms that the borrowing is to be repayable out of the scheme property.

Borrowing must be on a temporary basis, not persistent and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

The ACD must ensure that borrowing does not, on any business day, exceed 10% of the value of the scheme property.

These borrowing restrictions do not apply to 'back to back' borrowing for currency hedging purposes.

42 Leverage

Alternative Investment Fund Managers (AIFMs) are required to calculate leverage in accordance with the AIFMD, which defines leverage as any method by which an Alternative Investment Fund (AIF) increases its exposure through borrowing or the use of derivatives.

Leverage when used in this prospectus means the following sources of leverage can be used when managing a sub-fund:

42.1.1 cash borrowing, subject to the restrictions set out in Section 42.

42.1.2 financial derivative instruments and reinvestment of cash collateral in the context of securities lending.

The ACD is required to calculate and monitor the level of leverage of a sub-fund, expressed as a ratio between the exposure of the sub-fund and its Net Asset Value (exposure/NAV), under both the gross method and the commitment method.

Under the gross method, the exposure of a sub-fund is calculated as follows:

42.1.3 include the sum of all assets purchased, plus the absolute value of all liabilities;

42.1.4 exclude cash and cash equivalents which are highly liquid investments held in the base currency of the sub-fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;

42.1.5 derivative instruments are converted into the equivalent position in their underlying assets;

42.1.6 exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;

42.1.7 include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and

42.1.8 include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the commitment method, the exposure of a sub-fund is calculated in the same way as under the gross method; however, where "hedging" offsets risk and "netting" eliminates risk, these values are not included.

Further information regarding these different leverage calculation methods can be obtained from the ACD upon request.

The maximum level of leverage for each sub-fund under both the gross and commitment methods is disclosed in the Risk Management Process document, which is available on request from the ACD.

In addition, the total amount of leverage employed by a sub-fund will be disclosed in the sub-fund's annual report.

43 M&G Plc

The ACD and the Investment Manager are subsidiaries of M&G Plc, a listed company. The Sub-funds are not permitted to directly hold securities issued by M&G Plc unless the Sub-fund's investment policy is to

passively track an index which includes M&G Plc. The Sub-funds are allowed to trade derivatives linked to publicly available indices which include M&G Plc, and are allowed to hold collective investment schemes which passively track such indices.

44 Additional investment restrictions

The ACD has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares are offered or sold.

45 Force majeure, including terrorism and pandemic risk

The Sub-funds and Relevant Parties could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same.

46 Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Sub-funds and Relevant Parties. In particular, the recent "novel coronavirus" (COVID-19) outbreak, which has affected various parts of the world, could have a material and adverse effect on the ability to accurately determine the prices of investments owned by the Sub-funds, which might further result in inaccurate valuation of the Sub-funds assets. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Sub-funds and Related Parties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Sub-funds and materially and adversely affect their operation.Total return swaps

46.1 This paragraph relates to the M&G Episode Allocation Fund, M&G Sustainable Multi Asset Fund, M&G Episode Growth Fund, M&G Sustainable Multi Asset Balanced Fund, M&G Sustainable Multi Asset Cautious Fund and M&G Sustainable Multi Asset Growth Fund and sets out disclosures required under Regulation EU 2015/2365 on Securities Financing Transactions.

46.2 Total return swaps are agreements under which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the total return (including both the income it generates and any capital gains) of an underlying asset (for example, a commodity or stock market index). In this way, a party can gain the economic exposure of the underlying asset without actually owning that asset.

46.3 The specific types of total return swaps permitted in this section are swaps on equity indices, equity sectors, equity basket of stocks, equity ETFs, individual government bonds, bond indices, bond ETFs and bond baskets.

46.4 The total return swaps described in this paragraph may be exercised by the M&G Episode Allocation Fund, M&G Sustainable Multi Asset Fund, M&G Episode Growth Fund, M&G Sustainable Multi Asset Balanced Fund, M&G Sustainable Multi Asset Cautious Fund and M&G Sustainable Multi Asset Growth Fund to gain exposure to bonds, equities and ETF's for tactical purposes.

46.5 M&G Risk Management Process states that both exchange traded derivatives and over-the-counter derivatives must be traded with approved counterparties.

46.5.1 New counterparties are approved after a review that covers the legal status of the proposed counterparty, an assessment of the operational risk and credit risk associated with that counterparty and any other material considerations and it must have the minimum required credit rating.

46.5.2 Trading must occur in M&G approved derivative instruments and the arrangements must be governed by appropriate legal documentation.

46.6 The maximum proportion of the assets under management of the M&G Episode Allocation Fund, M&G Sustainable Multi Asset Fund, M&G Episode Growth Fund, M&G Sustainable Multi Asset Balanced Fund, M&G Sustainable Multi Asset Cautious Fund and M&G Sustainable Multi Asset Growth Fund that can be subject to total return swaps is 50%, with a maximum of 5% with any one non-approved counterparty; and a maximum of 10% with any one approved counterparty.

46.7 The expected proportion of the assets under management of the M&G Episode Allocation Fund, M&G Sustainable Multi Asset Fund, M&G Episode Growth Fund, M&G Sustainable Multi Asset Balanced Fund, M&G Sustainable Multi Asset Cautious Fund and M&G Sustainable Multi Asset Growth Fund that can be subject to total return swaps is 25%.

46.8 M&G collateral management policy in the context of OTC financial derivatives transactions is detailed in Section 33.7.

46.9 All revenues arising from total return swaps will be returned to the Sub-fund, and the ACD does not take any fees or costs out of those revenues additional to its periodic charge on the Scheme Property of the sub-fund or set out in Section 25 above.

Appendix 3 – Eligible markets

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

A a regulated market (as defined for the purposes of COLL); or

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

C a market which the ACD, after consultation with the Depositary, decides is appropriate for investment of or dealing in the scheme property (see Appendix 2, 10.4 for more detail).

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

In addition, up to 20% in value of a Sub-fund may be invested in transferable securities and/or money market instruments which are not listed on these markets.

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

Europe (non-EEA States)	
Switzerland	SIX Swiss Exchange
Turkey	Borsa Istanbul

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

Africa	
South Africa	The JSE Securities Exchange

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

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

For the purposes of "C" above, the derivatives markets listed below have been deemed appropriate.

Europe (Non-EEA States)	
Switzerland	EUREX
Turkey	Borsa Istanbul

Americas	
Brazil	Bolsa de Mercadorias e futuro (BMF)
Canada	The Montreal Exchange

Americas	
United States	CME Group Inc Chicago Board Options Exchange (CBOE)

Africa	
South Africa	The South African Futures Exchange (SAFEX)

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

Appendix 4 – Other Collective Investment Schemes of the ACD

M&G Investment Funds (1)

M&G Investment Funds (2)

M&G Investment Funds (3)

M&G Investment Funds (5)*

M&G Investment Funds (7)

M&G Investment Funds (10)

M&G Investment Funds (11)

M&G Investment Funds (12)

M&G Global Dividend Fund

M&G Global Macro Bond Fund

M&G Optimal Income Fund

M&G Property Portfolio

M&G Strategic Corporate Bond Fund

The ACD is also the Manager of the M&G Feeder of Property Portfolio, the M&G Equities Investment Fund for Charities, the M&G Charibond Charities Fixed Interest Fund, and the M&G Charity Multi-Asset Fund.

The ACD is additionally the ACS Manager of the M&G ACS.

*This umbrella scheme is commencing closure on 2 October 2020 and is no longer available for investment.

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Appendix 5 – Performance tables

Past performance is not a guide to future performance

M&G Episode Allocation Fund	
Sterling Class A	The cumulative performance over the last 10 years ending 31 October 2020 is 42.42% The cumulative performance for the 3 Month GBP Libor +5% for the same period is 73.36%

M&G Episode Growth Fund	
Sterling Class A	The cumulative performance over the last 10 years ending 31 October 2020 is 62.59% The cumulative performance for the Comparative Index is 2/3 MSCI ACWI Index and 1/3 Bloomberg Barclays Global Aggregate Index for the same period is 131.75% *Prior to 10 December 2019 the benchmark was the blend of 2/3 MSCI ACWI Index and 1/3 Bloomberg Barclays Global Aggregate Index. Thereafter it is the blend of 2/3 MSCI ACWI Index and 1/3 Bloomberg Barclays Global Aggregate GBP hedged Index.

M&G Managed Growth Fund	
Sterling Class A	The cumulative performance over the last 10 years ending 31 October 2020 is 47.76% The cumulative performance for the Comparative Index* for the same period is 186.53% *The benchmark Prior to 31 August 2018 was the FTSE World Index. From 01 September 2018 to 09 December 2019 it was the blend of 85% MSCI ACWI Index and 15% BBgBarc Global Aggregate Index. Thereafter it is the blend of 85% MSCI ACWI Index and 15% BBgBarc Global Aggregate GBP Hedged Index.

M&G Sustainable Multi Asset Fund	
Sterling Class A	It is not possible to assess the fund's performance against its objective over five years because the fund was only launched on 14 February 2019. The cumulative performance since inception ending 31 October 2020 is 4.9%.

M&G Sustainable Multi Asset Cautious Fund
Performance data is not available for the M&G Sustainable Multi Asset Cautious Fund. FCA Regulations mean that we are unable to include performance data on any Sub-Fund that has a performance track record of less than 12 months.

M&G Sustainable Multi Asset Balanced Fund
Performance data is not available for the M&G Sustainable Multi Asset Balanced Fund. FCA Regulations mean that we are unable to include performance data on any Sub-Fund that has a performance track record of less than 12 months.

M&G Sustainable Multi Asset Growth Fund
Performance data is not available for the M&G Sustainable Multi Asset Growth Fund. FCA Regulations mean that we are unable to include performance data on any Sub-Fund that has a performance track record of less than 12 months.

Appendix 6 – List of Sub custodians

Albania	**Raiffeisen Bank sh.a., Tirana**
Argentina	Citibank N.A., Buenos Aires
Australia	Hong Kong and Shanghai Banking Corporation Limited, Parramatta
Austria	1) UniCredit Bank Austria AG, Vienna 2) Deutsche Bank AG, Eschborn
Bahamas	N/A
Bahrain	HSBC Bank Middle East, Al Seef
Bangladesh	Standard Chartered Bank, Dhaka
Belgium	Deutsche Bank AG, Netherlands (operating through the Amsterdam branch with support from its Brussels branch)
Benin	Standard Chartered Bank Côte d'Ivoire, Abidjan
Bermuda	HSBC Bank Bermuda Limited, Hamilton
Bosnia-Herzegovina **The Federation of Bosnia and Herzegovina**	UniCredit Bank d.d., Sarajevo
Botswana	Standard Chartered Bank of Botswana Limited, Gaborone
Brazil	Citibank N.A. São Paulo Branch, São Paulo
Bulgaria	1) Citibank Europe plc, Sofia 2) UniCredit Bulbank AD, Sofia
Burkina Faso	Standard Chartered Bank Côte d'Ivoire, Abidjan
Canada	1) State Street Trust Company Canada, Toronto (Depositary transactions) 2) RBC Investor Services, Toronto (Physical transaction)
Cayman Islands	N/A
Channel Islands	N/A
Chile	Itau CorpBanca S.A., Santiago de Chile
China A-Shares and CIBM	1) China Construction Bank, Beijing 2) HSBC Bank (China) Company Limited, Shanghai
China B-Shares	HSBC Bank (China) Company Limited, Shanghai
China Connect (Stock Connect)	1) Standard Chartered Bank (Hong Kong) Limited, Hong Kong 2) The Hong Kong and Shanghai Banking Corporation Limited, Hong Kong 3) Citibank N.A., Hong Kong
Clearstream	State Street is a direct participant in Clearstream Banking Luxembourg. State Street does not use a subcustodian bank.
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria, Bogota
Costa Rica	Banco BCT S.A., San Jose
Croatia	1) Privredna Banka Zagreb d.d., Zagreb 2) Zagrebacka banka d.d., Zagreb
Curacao	N/A

Albania	**Raiffeisen Bank sh.a., Tirana**
Cyprus	BNP Paribas Securities Services, S.C.A., Athens (operating remotely to service the Cyprus market)
Czech Republic	1) Ceskoslovenská Obchodní Banka A.S., Prague 2) UniCredit Bank Czech Republic and Slovakia, a.s., Praha
Denmark	1) Skandinaviska Enskilda Banken AB (SEB), Copenhagen 2) Nordea Bank Danmark A/S, Copenhagen
Ecuador	N/A
Egypt	Citibank N.A., Cairo
Estonia	AS SEB Pank, Tallinn
Eswatini	Standard Bank Eswatini Limited, Eswatini
Ethiopia	N/A
Euroclear	Since State Street is a direct participant in Euroclear Bank, State Street does not use a subcustodian bank.
Finland	1) Skandinaviska Enskilda Banken AB (publ) (SEB), Helsinki 2) Nordea Bank Finland Plc, Helsinki
France	Deutsche Bank AG, Netherlands (operating through the Amsterdam branch with support from its Paris branch)
Georgia	JSC Bank of Georgia, Tbilisi
Germany	1) State Street Bank International GmbH, Munich 2) Deutsche Bank AG, Eschborn
Ghana	Standard Chartered Bank Ghana Limited, Accra
Greece	BNP Paribas Securities Services, S.C.A., Athens
Guernsey	N/A
Guinea Bissau	Standard Chartered Bank Côte d'Ivoire, Abidjan
Hong Kong	Standard Chartered Bank (Hong Kong) Limited, Hong Kong
Hungary	1) Citibank Europe plc, Hungarian Branch, Budapest 2) UniCredit Bank Hungary Zrt., Budapest
Iceland	Landsbankinn hf, Reykjavik
India	Citibank, N.A., Mumbai
Indonesia	Deutsche Bank A.G., Jakarta
Ireland	State Street Bank and Trust Company, Edinburgh
Isle of Man	N/A
Israel	Bank Hapoalim B.M., Tel Aviv
Italy	1) Deutsche Bank S.p.A., Milan 2) Intesa Sanpaolo (ISP), Milan
Ivory Coast	Standard Chartered Bank Côte d'Ivoire, Abidjan
Jamaica	N/A
Japan	1) Mizuho Bank, Ltd, Tokyo 2) The Hong Kong and Shanghai Banking Corporation, Japan branch (HSBC), Tokyo
Jersey	N/A
Jordan	Standard Chartered Bank, Shmeissani Branch, Amman
Kazakhstan	JSC Citibank Kazakhstan, Almaty

Albania	**Raiffeisen Bank sh.a., Tirana**
Kenya	Standard Chartered Bank Kenya Limited, Nairobi
Kuwait	HSBC Bank Middle East Limited, Kuwait
Latvia	AS SEB Banka, Riga
Lebanon	N/A
Liechtenstein	N/A
Lithuania	SEB Bankas, Vilnius
Luxembourg	Since State Street is a direct participant in Clearstream Banking Luxembourg, State Street does not use a subcustodian bank. Luxembourg domiciled assets may be held in either the Euroclear or Clearstream ICSDs.
Macedonia (Republic of Macedonia)	N/A
Malawi	Standard Bank Limited, Blantyre
Malaysia	1) Standard Chartered Bank Malaysia Berhad Menara Standard Chartered, Kuala Lumpur 2) Deutsche Bank (Malaysia) Berhad Investor Services, Kuala Lumpur
Mali	Standard Chartered Bank Côte d'Ivoire, Abidjan
Malta	N/A
Marshall Islands	N/A
Mauritius	Hong Kong and Shanghai Banking Corp. Limited, Ebene
Mexico	Banco Nacional de México S.A. (Banamex) Global Securities Services, Mexico City
Morocco	Citibank Maghreb, Casablanca
Mozambique	N/A
Namibia	Standard Bank Namibia Limited, Windhoek
Netherlands	Deutsche Bank AG, Amsterdam branch
New Zealand	The Hong Kong and Shanghai Banking Corp. Limited, Auckland
Niger	Standard Chartered Bank Côte d'Ivoire, Abidjan
Nigeria	Stanbic IBTC Bank Plc., Lagos
Norway	1) Skandinaviska Enskilda Banken, Oslo (operating through its Oslo branch) 2) Nordea Bank Norge ASA, Oslo
Oman	HSBC Bank Oman S.A.O.G., Seeb
Pakistan	Deutsche Bank AG, Karachi
Palestine	N/A
Panama	Citibank, N.A., Panama City
Peru	Citibank del Perú S.A., Lima
Philippines	Deutsche Bank AG, Taguig City
Poland	Bank Handlowy w Warszawie S.A., Warsaw
Portugal	Deutsche Bank AG, Netherlands (operating through the Amsterdam branch with support from its Lisbon branch)
Puerto Rico	N/A
Qatar	HSBC Bank Middle East Limited, Doha
Republic of Srpska	UniCredit Bank d.d., Sarajevo

Albania	**Raiffeisen Bank sh.a., Tirana**
Romania	Citibank Europe plc, Dublin – Romania Branch, Bucharest
Russia	AO Citibank, Moscow
Rwanda	N/A
Saudi Arabia	HSBC Saudi Arabia, Riyadh
Senegal	Standard Chartered Bank Côte d'Ivoire, Abidjan
Serbia	Unicredit Bank Serbia JSC Belgrade
Singapore	Citibank N.A., Singapore
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s., Bratislava
Slovakia	N/A
Slovenia	UniCredit Banka Slovenija d.d., Ljubljana
South Africa	1) Standard Bank of South Africa Limited, Johannesburg 2) FirstRand Bank Limited, Johannesburg
South Korea	1) Deutsche Bank AG, Seoul 2) Hong Kong and Shanghai Banking Corp. Limited, Seoul
Spain	Deutsche Bank SAE Investor Services, Madrid
Sri Lanka	The Hong Kong and Shanghai Banking Corporation Limited, Colombo
Swaziland	Standard Bank Swaziland Limited, Mbabane
Sweden	1) Nordea Bank AB (publ), Stockholm 2) Skandinaviska Enskilda Banken, Stockholm
Switzerland	1) UBS Switzerland AG, Zurich 2) Credit Suisse AG, Zurich
Taiwan	1) Deutsche Bank AG, Taipei 2) Standard Chartered Bank (Taiwan) Limited, Taipei
Tanzania	Standard Chartered Bank Tanzania Limited, Dar es Salaam
Thailand	Standard Chartered Bank (Thai) Public Company Limited, Bangkok
Togo	Standard Chartered Bank Côte d'Ivoire, Abidjan
Transnational	N/A
Trinidad & Tobago	N/A
Tunisia	Union Internationale de Banques (UIB), Tunis
Turkey	1) Citibank A.S., Istanbul 2) Deutsche Bank A.S., Istanbul
Uganda	Standard Chartered Bank Uganda Limited, Kampala
Ukraine	JSC Citibank, Kyiv
United Arab Emirates - Abu Dhabi Securities Exchange-(ADX)	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
United Arab Emirates - DFM	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
United Arab Emirates - Dubai International Financial Center (DIFC)	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
United Kingdom	State Street Bank and Trust Company, Edinburgh

Albania	**Raiffeisen Bank sh.a., Tirana**
United States	1) State Street Bank and Trust Company, Boston 2) DTCC Newport Office Center, Jersey City
Uruguay	Banco Itau Uruguay S.A., Montevideo
Venezuela	N/A
Vietnam	Hong Kong & Shanghai Banking Corp. Ltd. Centre Point, Ho Chi Minh City
WAEMU (West African Economic and Monetary Union)	N/A
Zambia	Standard Chartered Bank Zambia Plc, Lusaka
Zimbabwe	Stanbic Bank Zimbabwe Limited, Harare

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