

# Key Investor Information



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

## M&G Dividend Fund

a sub-fund of M&G Investment Funds (3)

Sterling Class I – Accumulation shares ISIN no. GB00B7BX4821

Managed by M&G Securities Limited

### Objective and investment policy

The fund has three aims:

- To grow income distributions by investing mainly in a range of UK company shares
- To provide a dividend yield above that of the FTSE All-Share Index
- To provide combined income and capital growth

**Core investment:** At least 70% of the fund is invested in the shares of UK companies with the potential to grow their dividends over the long term.

**Other investments:** The fund may also invest in the shares of non-UK companies. Generally, less than 10% is held as cash or assets that can be turned into cash quickly.

**Strategy in brief:** The fund manager has the freedom to decide which investments to hold in the fund. The focus is on companies with the potential to grow their dividends over the long term. The fund invests in company shares from across a wide range of sectors and company sizes. The fund manager selects stocks with different sources of dividend growth to build a fund that has the potential to cope in a variety of market conditions. When attempting to grow distributions, the fund manager's main focus is on delivering an increase in sterling terms.

**Benchmark:** FTSE All-Share Index

The fund manager makes active investment decisions for the fund. The benchmark is a target which the fund seeks to outperform. The target benchmark is used solely to measure the fund's performance and income objective.

For unhedged share classes, the benchmark is shown in the share class currency.

#### Glossary terms

**Dividend yield:** Annual income distributed as a percentage of the share price.

#### Other information

You can buy and sell shares in the fund on any business day. Provided we receive your instructions before 12 noon, shares will be bought at that day's price.

Any income from the fund will be rolled up into the value of your investment.

In addition to the charges set out in the charges section, the fund will incur portfolio transaction costs which are paid from the assets of the fund. These can be higher when investing outside Europe.

### Risk and reward profile



• The above risk number is based on the rate at which the value of the fund has moved up and down in the past. It may not be a reliable indicator of the future risk profile of the fund.

- The risk number shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

#### The main risks that could affect performance are set out below:

- The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.
- The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.
- In exceptional circumstances where assets cannot be fairly valued, or have to be sold at a large discount to raise cash, we may temporarily suspend the fund in the best interest of all investors.
- The fund could lose money if a counterparty with which it does business becomes unwilling or unable to repay money owed to the fund.

Further details of the risks that apply to the fund can be found in the fund's Prospectus.

## Charges

The charges shown in the table are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	0.00%
Exit charge	0.00%
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charge	0.68%
Charges taken from the fund under certain specific conditions	
Performance fee	None

The entry and exit charges shown are the maximum figures and, in some cases, you may pay less. You can find out the exact charges which apply to your investment by contacting your financial adviser or distributor or, if you have invested directly with us, you can contact us using the details given in the practical information section.

The above ongoing charge figure is an estimate of the charges because of a change to the charging structure with effect from 1 August 2019.

The ongoing charge figure may vary from year to year and excludes portfolio transaction costs. The charges are mostly, if not exclusively, the Annual Charge which may be discounted depending on the size of the fund. The Annual Charge without any discount is 0.70%. The fund's annual report for each financial year will include details on the exact charges made.

For more information on charges, please see the relevant sections of the Prospectus at [www.mandg.co.uk/literature](http://www.mandg.co.uk/literature)

## Past performance



- Past performance is not a guide to future performance.
  - The past performance calculation includes UK taxes. It does not take into account the entry and exit charges but does take into account the ongoing charge and the performance fee, as shown in the charges section.
  - The Fund launched on 06 May 1964 and the Sterling Class I Accumulation share class launched on 03 August 2012.
  - Sterling Class I - Accumulation shares do not have 10 complete years of past performance information available as they launched on 03 August 2012. Therefore, past performance information for Sterling Class A Shares has been used for the period.
- △ 14 March 2011. The fund changed its objective. The past performance shown before this change was therefore achieved under circumstances that no longer apply. For more information about this change, visit [www.mandg.co.uk/objectivechange](http://www.mandg.co.uk/objectivechange)

## Practical information

The depositary is NatWest Trustee and Depositary Services Limited.

For more information about this fund, please visit [www.mandg.co.uk/literature](http://www.mandg.co.uk/literature) where you will find a copy of the Prospectus, Instrument of Incorporation and the latest annual or interim Investment Report and Financial Statements. These documents are in English and are available free of charge. Our website also provides other information such as share prices.

UK tax laws apply to the fund, and this may affect your personal tax position. Please speak to an adviser for more information.

M&G Securities Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the fund.

The fund is a sub-fund of M&G Investment Funds (3), an umbrella Open Ended Investment Company (OEIC). The Prospectus, and annual or interim Investment Report and Financial Statements contain information about all of the sub-funds in M&G Investment Funds (3).

The assets of each sub-fund within the umbrella OEIC are segregated by law. This means that the assets belong exclusively to that sub-fund and shall not be used or made available to pay the debts of any other sub-fund or the umbrella OEIC.

You may switch between other sub-funds of M&G Investment Funds (3). An entry charge may apply. Details on switching are provided in the Important Information for Investors document and the fund's Prospectus, or by calling M&G Customer Relations on 0800 390 390.

Other share classes may exist for the fund as set out in the relevant Prospectus.

For up-to-date details of the staff remuneration policy that applies to M&G Securities Limited, including a description of how remuneration and benefits are calculated, the make-up of the remuneration committee, and the identities of persons responsible for awarding the remuneration and benefits, please visit [www.mandg.co.uk/remuneration](http://www.mandg.co.uk/remuneration). We will provide a paper copy of this information, free of charge, if you require one.

This Fund is authorised in the UK and regulated by the Financial Conduct Authority. M&G Securities Limited is authorised in the UK and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 17 September 2019.