

20 December 2024

Dear Investor

Changes to the M&G Positive Impact Fund (the “Fund”), a sub-fund of M&G Investment Funds (10) New Sustainability Impact label

This letter is for your information only and has been sent to you because you are invested in the Fund. You do not need to take any action, but we recommend that you read it carefully.

I am writing to inform you that, effective from Friday 28 February 2025 (the “**Effective Date**”), the Fund will be adopting the “Sustainability Impact” label (the “**Label**”). The Label is one of the sustainable ‘Investment Labels’ introduced by the Financial Conduct Authority (“**FCA**”) as part of its Sustainability Disclosure Requirements (“**SDR**”) regulation, and applies to funds that ‘aim to achieve a pre-defined positive measurable impact to an environmental and/or social outcome’. More information on SDR can be found in the “SDR and Investment Labels” section below as well as in the enclosed “Sustainability Disclosure Requirements (SDR) explained” document.

As a result of adopting the Label, we will be making changes to the way we present the Fund’s Investment Objective, Investment Policy and Investment Approach in our documentation. The changes aim to clarify the Fund’s sustainability characteristics within its Prospectus and Key Investor Information Documents (“**KIIDs**”). A Consumer-Facing Disclosure (“**CFD**”) document summarising the Fund’s impact investing approach will also be introduced.

SDR and Investment Labels

The SDR rules were published by the FCA in November 2023. These new regulations apply to all investment products with sustainable characteristics and aim to make it easier for investors to understand these products by introducing greater transparency, accountability and comparability. A summary of SDR, and what it means for investors, can be found in the enclosed “Sustainability Disclosure Requirements (SDR) explained” document, with further details available on the FCA’s website at www.fca.org.uk/consumers/sustainable-investment-labels-greenwashing

As part of SDR, the FCA has introduced sustainable ‘Investment Labels’, which are designed to help investors find products that have a specific sustainability goal. In the case of the Fund, we have decided to adopt the “Sustainability Impact” label, which may be used for it as it invests mainly in assets that aim to provide solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet.

continued overleaf

We will therefore make the necessary updates to the Fund’s literature from the Effective Date. We believe that the changes will provide better clarity and transparency for investors and help them better understand the Fund’s sustainability goal and characteristics. You should note however that there will be no material change to the way the Fund is managed.

What is changing?

Under SDR, additional information on our impact investing approach must be included in the Fund’s Prospectus and KIIDs. These documents will therefore be updated with effect from the Effective Date as follows:

- The **Investment Objective** will provide more detail about how the Fund invests for impact and the outcomes it seeks to achieve. Key Performance Indicators (also known as “KPIs”) will explain how we measure the Fund’s impact.
- A **‘Sustainability Disclosures’** section will be introduced (in the Prospectus only), which contains more detailed information about the Fund’s sustainability characteristics. These include the Fund’s approach to impact investment and details of its “Exclusions”, which determine what companies the Fund shouldn’t hold based on Global Norms, Environmental Issues and Social Issues criteria. Information of this nature was previously included in other Fund materials such as the Annual Impact Report, and under SDR must be included in the Prospectus.
- Accordingly, references to the Fund’s sustainability characteristics will be removed from both the **Investment Policy** and the **Investment Approach**.
- The description of the **Exclusions, Thresholds and Exceptions** will be expanded to provide full details on the types of companies the Fund cannot invest in. For certain activities, this includes a revenue “Threshold”, which is the maximum percentage of a company’s revenue that may be derived from the excluded activity before the company is excluded by the Fund. Currently when the fund manager decides what to invest in, they consider whether a company has a net positive impact, and in particular they seek to avoid investing in companies that cause significant environmental or social harm. That means there are certain types of companies that the fund manager would not invest in, even though these are not currently set out in the Fund materials. To add clarity we have decided to add these types of companies to the Exclusions, specifically thermal coal extraction, oil and gas extraction, tobacco distribution, defence and other weapons and animal testing on non-medical grounds; we have also broadened and clarified the reference to power generation. We have also added information about where Thresholds apply to these activities, and where we might grant “Exceptions” to the Exclusions. Please note that we have not removed or loosened any of the Exclusions that currently apply to the Fund. Full details of the Exclusions, Thresholds and Exceptions can be found in the Sustainability Disclosures which are included in the updated Prospectus, available on our website www.mandg.co.uk/funds
- In addition to the above, we have taken this opportunity to make minor changes to the financial part of the Investment Objective, Investment Policy and Investment Approach for consistency purposes.

A new CFD will also be created, providing a summary of the Fund’s impact investing approach. This will be available from the Effective Date on our website www.mandg.co.uk/funds or upon request from our **Customer Relations** team using the details at the end of this letter.

continued

You can find a full comparison of the Fund's current and updated Investment Objective, Investment Policy and Investment Approach in Appendix 1 of this letter, while Appendix 2 provides you with highlights of the newly created Sustainability Disclosures. These can be found in full in the updated Prospectus which is available on our website www.mandg.co.uk/funds

There will be no change to the way the Fund is managed, nor to its overall risk profile.

Making changes to your investment

You may sell your investment in the Fund, or switch to (an)other M&G OEIC fund(s), free of charge, at any point before or after the changes have taken place subject to our Terms and Conditions, which can be found in the Important Information for Investors document available on our website www.mandg.co.uk/literature

Legal and administrative costs

M&G will pay all costs associated with the implementation of the changes, including legal and administrative costs.

For more information

If you have any questions about the changes please contact our **Customer Relations** team by calling **0800 390 390** or **0044 1268 44 8031** if calling from overseas. Our team can take your call from (UK time) 08:00 to 18:00, Monday to Friday and 09:00 to 13:00 Saturday. For your security and to improve the quality of our service we may record and monitor telephone calls. Alternatively, you may want to consider registering for our online My Account service at www.myaccount.mandg.com where you can manage your account and contact us by secure message or our chat facility. For alternative ways to get in touch please visit www.mandg.co.uk/info

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser. You can find Information on how to access financial advice on our website www.mandg.co.uk/getfinancialadvice

Yours faithfully



Laurence Mumford
Director
M&G Securities Limited

Enc. Appendix 1: Comparison of current and updated Prospectus wording for M&G Positive Impact Fund
Appendix 2: Highlights of M&G Positive Impact Fund's Sustainability Disclosures
Sustainability Disclosure Requirements (SDR) explained

Appendix 1: Comparison of the current and updated Investment Objective, Investment Policy and Investment Approach, and new Sustainability Disclosures for M&G Positive Impact Fund

Existing fund information (as listed in the Prospectus until Thursday 27 February 2025)	Updated fund information (to be listed in the Prospectus from Friday 28 February 2025)
<p>Investment Objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • To provide a higher total return (the combination of capital growth and income), net of the Ongoing Charges Figure, than the MSCI ACWI Index over any five-year period; and • To invest in companies that aim to have a positive societal impact through addressing the world’s major social and environmental challenges. 	<p>Investment Objective</p> <p>The Fund aims to:</p> <ul style="list-style-type: none"> - provide a higher total return (capital growth plus income), net of the Ongoing Charges Figure, than the MSCI ACWI Index over any five-year period; and - make a positive impact by advancing progress towards the following six “Impact Outcomes”: <ul style="list-style-type: none"> - mitigation of climate change by avoiding and/or reducing greenhouse gases (“Climate Action”); - enabling and implementing a transition to a more circular economy where waste is reduced, reused and/or recycled (“Circular Economy”); - preventing and reducing damage to the natural environment (“Environmental Solutions”); - improved health and wellbeing and/or access to quality healthcare (“Better Health”); - increased social and economic inclusion for individuals or groups (“Social Inclusion”); and - improved access to quality work, better working conditions, and/or education (“Better Work and Education”). <p>The fund manager intends to achieve this in a positive, measurable way, by:</p> <ul style="list-style-type: none"> - investing in companies which contribute to an Impact Outcome; and - supporting and advancing the Fund’s positive impact on the Impact Outcomes through its other investment activities such as engagement with such companies, (the “Sustainability Goal”). The impact of investments and the fund manager’s contribution will be assessed and reported on at least annually.
<p>Investment Policy</p> <p>At least 80% of the Fund is invested in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including Emerging Markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>Assessment and measurement of the ability to deliver positive social and/or environmental impact and generate financial returns will be conducted at a company level using M&G’s impact assessment methodology. This focuses on three criteria:</p>	<p>Investment Policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities and equity related instruments of companies across any sector and market capitalisation that are domiciled in any country, including Emerging Markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>Derivatives may be used for Efficient Portfolio Management and hedging.</p>

<ul style="list-style-type: none"> • Investment credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns; • Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and • Impact: the scale of the net positive societal impact and the company’s progress towards addressing specified social and environmental challenges. <p>Certain investments which are considered by M&G to conflict with the Fund’s aim to invest in companies with a positive societal impact are excluded from the investment universe. The following are excluded:</p> <ul style="list-style-type: none"> • Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and • Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, oil sands, nuclear power or coal-fired power, or the provision of gambling services. <p>The fund manager has discretion to invest in companies with limited exposure to fossil fuels but which are driving or significantly participating in the transition to a more sustainable economy.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>Derivatives may be used for Efficient Portfolio Management and hedging.</p>	
<p>Investment Approach</p> <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that make a positive social and/or environmental impact alongside a financial return, using a disciplined stock selection process.</p> <p>Sustainability and impact considerations are fundamental in determining the Fund’s investment universe and assessing business models. The Fund embraces the United Nations Sustainable Development Goals framework and invests in companies focused on areas including climate action, pollution reduction, circular economy, health and wellbeing, education and innovation, and working conditions.</p> <p>The Fund invests in three categories of positive impact companies:</p>	<p>Investment Approach</p> <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that contribute to the Sustainability Goal alongside a financial return, using a disciplined stock selection process.</p> <p>Sustainability and impact considerations are fundamental in determining the Fund’s investment universe and assessing business models, as further described in the next section.</p> <p>The Fund has adopted the Sustainability Impact Label and invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet. “Invests mainly”, means the Fund invests at least 80% of its Net Asset Value in companies which contribute towards the Sustainability Goal, and in normal market conditions is likely to have invested more than that. The fund manager’s investment activities in support of the Sustainability Goal will apply to all such assets. The Fund</p>

<ul style="list-style-type: none"> • “Pioneers”, whose products or services have a transformational effect on society or the environment; • “Enablers”, which provide the tools for others to deliver positive social or environmental impact; and • “Leaders”, which spearhead the development of sustainability in their industries. <p>Investing in these categories provides diversification across industries and maturity of business models. Dialogue with the companies in which the Fund invests is fundamental to the investment approach. The objective is to support and influence their contribution to the world’s major social and environmental challenges.</p>	<p>may hold up to 20% of its Net Asset Value in assets that do not contribute towards the Sustainability Goal. This may include cash, near cash, and money market funds for liquidity purposes. Additionally, this may include investments where evidence-based measurement of the contribution to the Sustainability Goal is not yet possible. These investments will not conflict with the Sustainability Goal. Investments where evidence-based measurement of the contribution is not yet possible will be kept under review and will either transition to the main Impact Investments portion of the Fund or, if such transition is delayed, will be considered under the Escalation Plan. See further details under “<i>Other Investments</i>” below.</p> <p>The Fund is not permitted to hold certain investments as explained below under “<i>Exclusions, Thresholds and Exceptions</i>”. These exclusions mitigate the potential negative effect the Fund may have on the environment and society and the potential for governance concerns. Whilst some exclusions are relevant to the same themes as the Impact Outcomes cover, they do not form a central part of the Fund’s approach to tackling sustainability problems.</p>
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Sustainability Disclosure Requirements explained

We've created this overview of the Financial Conduct Authority's Sustainability Disclosure Requirements, to help you understand these new regulatory rules.

What are Sustainability Disclosure Requirements (SDR)

In November 2023 the Financial Conduct Authority (FCA) published its Policy Statement on SDR and Investment Labels. These new regulations apply to all investment products with sustainability characteristics and aim to make it easier for investors to understand these products by introducing greater transparency, accountability and comparability. All UK FCA-regulated financial firms and their UK-based products marketed in the UK must disclose information regarding their environmental, social, and governance (ESG) performance.

The five measures of SDR

SDR consists of five main measures to help consumers navigate the market for sustainable investment products.

1. Anti-greenwashing rule

The anti-greenwashing rule looks to ensure that any sustainability-related claim, including but not limited to, 'statements, assertions, strategies, targets, policies, information and images' must be 'fair, clear and not misleading'. According to the FCA, examples include misusing images of rainforests and featuring ESG ratings without context. The rule is effective for all firms under its scope as of 31 May 2024.

2. Investment labels

Funds with sustainability goals are allowed to apply labels to help investors understand their key features.

- **Sustainability Focus:** Investment products that 'aim to invest in assets that are environmentally and/or socially sustainable'.
- **Sustainability Improvers:** Investment products that 'aim to invest in assets that have the potential to improve environmental and/or social sustainability over time'.

- **Sustainability Impact:** Investment products that 'aim to achieve a pre-defined positive measurable impact to an environmental and/or social outcome'.
- **Sustainability Mixed Goals:** Investment products that include a mix of assets that 'are already sustainable, have the potential to improve their sustainability over time, and/or aim to achieve a positive impact'.

As of 31 July 2024, firms can use these labels with accompanying disclosures and statements.

3. Naming and marketing rules

These rules seek to ensure that sustainability-related terms are used appropriately. Use of these terms is restricted to funds which actually have the relevant sustainability features. These funds will be required to explain their features appropriately, even if they don't use a label.

However, certain terms ('sustainable', 'sustainability' and 'impact') will not be permitted in fund names unless the fund has the relevant labels.

4. Disclosures

Funds with sustainability characteristics will update their literature to meet the new rules during the course of 2024-2025. This will mean changes to their prospectuses and the introduction of a new document, the 'Consumer-Facing Disclosure', even for funds that do not have a label.

Between 31 July 2024 and 2 April 2025, firms will need to start publishing consumer-facing and detailed product-level disclosures.

5. Distributors

The FCA highlights the role of financial advisers in facilitating easy access to sustainability-related information for consumers throughout their investment journey.

Financial advisers will distribute additional information to their customers during the course of 2024-2025.


Who does SDR apply to?

SDR currently applies to investment products offered in the UK by most types of asset managers and distributors.

SDR will look to improve the consumer investment journey by refining the way products are labelled and marketed so that investors can better match their sustainability priorities with investment choices.

For further information or assistance with SDR, please speak to your financial adviser.

The value of a fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise and you may get back less than you originally invested. The views expressed in this document should not be taken as a recommendation, advice, or forecast.

If you don't have an adviser, we can help you find one at [mandg.co.uk/getfinancialadvice](https://www.mandg.co.uk/getfinancialadvice) or call unbiased on **0800 011 9671**. 

Appendix 2 – Summary of Sustainability Goal and Sustainability Disclosures for M&G Positive Impact Fund

Label

The Fund will adopt the Sustainability Impact Label from Friday 28 February 2025.

Sustainable Investment Labels help investors find products that have a specific sustainability goal.

Sustainability Impact funds invest mainly in solutions to sustainability problems, with the aim to achieve a positive impact for the people or the planet.

Sustainability Goal

The Fund aims to make a positive impact by advancing progress towards the following six “Impact Outcomes”:

- mitigation of climate change by avoiding and/or reducing greenhouse gases (“Climate Action”);
- enabling and implementing a transition to a more circular economy where waste is reduced, reused and/or recycled (“Circular Economy”);
- preventing and reducing damage to the natural environment (“Environmental Solutions”);
- improved health and wellbeing and/or access to quality healthcare (“Better Health”);
- increased social and economic inclusion for individuals or groups (“Social Inclusion”); and
- improved access to quality work, better working conditions, and/or education (“Better Work and Education”).

The fund manager intends to achieve this in a positive, measurable way, by:

- investing in companies which contribute to an Impact Outcome; and
- supporting and advancing the Fund’s positive impact on the Impact Outcomes through its other investment activities such as engagement with such companies.

Summary of Sustainability Disclosures

At least 80% of Fund’s Net Asset Value is in companies which contribute towards the Sustainability Goal, and in normal market conditions it is likely to have invested more than that. The Fund may hold up to 20% of its Net Asset Value in assets that do not contribute towards the Sustainability Goal. This may include cash, near cash, and money market funds for liquidity purposes. The summary of Fund’s approach to each Impact Outcome is shown below.

Further details are available in the Prospectus.

Environmental Impact Outcomes	Climate Action	Circular Economy	Environmental Solutions
Impact Outcome <i>(the environmental outcome the Fund is seeking to achieve.)</i>	Mitigation of climate change by avoiding and/or reducing greenhouse gases.	Enabling and implementing a transition to a more circular economy where waste is reduced, reused and/or recycled.	Preventing and reducing damage to the natural environment (land, air and water).
Beneficiaries <i>(the beneficiary of the Impact Outcome.)</i>	Planet	Planet	Planet
Company Impact Activities <i>(the ongoing, revenue generating business operations that result in the change the Fund is seeking to achieve.)</i>	<p>The companies the fund invests in will generate or enable products or services that lead to avoided and/or reduced greenhouse gas emissions, namely:</p> <ul style="list-style-type: none"> • Generation of renewable and/or low-carbon energy. • Enabling infrastructure and/or technology that supports renewable or low carbon energy (eg companies developing technology that increases the electricity produced from solar power installations). • Solutions that improve energy efficiency and in turn reduce the carbon emissions of industrial 	<p>The companies the fund invests in will generate or enable products or services that lead to waste being reduced, reused or recycled, namely:</p> <ul style="list-style-type: none"> • Solutions for increasing the circularity (ie reducing waste and/or increasing recycling) of materials in industrial processes (eg share and reuse of wooden pallets in global consumer goods logistics). • Contributing to the reduction and/or sustainable management of municipal waste (eg sustainable waste management companies). 	<p>The companies the fund invests in will generate or enable products or services that prevent or reduce the damage to the natural environment, namely:</p> <ul style="list-style-type: none"> • Solutions for the reduction of pollution generated by industrial processes and/or buildings (eg companies producing technology to reduce air pollution). • Solutions that support the reduction of freshwater consumption in industrial or municipal use (eg companies that produce water-saving pumps).

Environmental Impact Outcomes	Climate Action	Circular Economy	Environmental Solutions
	processes or buildings (eg companies that produce energy efficient lightbulbs or improve the energy efficiency of data centres).	<ul style="list-style-type: none"> Highly circular operational practices that themselves can result in a circular end product, (eg companies that produce packaging made predominately from recycled materials). 	<ul style="list-style-type: none"> Water treatment solutions that contribute to reduced water pollution. Providing technology or manufacturing solutions that facilitate environmental efficiencies or improvements for other companies or industries (eg a company producing software to improve the sustainability of engineering or design processes). Solutions to improve the efficiency and sustainability of agricultural processes (eg companies producing sustainable farming technologies or efficient irrigation systems).
Company-level KPIs¹ <i>(These KPIs are measures which can be used to measure the positive impact of the companies on the Impact Outcome.)</i>	Climate Action Company-level KPIs Each Climate Action investment made by the Fund will have a positive value for at least one of the below Climate Action KPIs: <ol style="list-style-type: none"> CO2e avoided and/or reduced (Millions of tonnes CO2e (MtCO2e)) Renewable and/or low carbon energy generation (megawatt-hour (MWh)) 	Circular Economy Company-level KPIs Each Circular Economy investment made by the Fund will have a positive value for at least one of the below Circular Economy KPIs: <ol style="list-style-type: none"> Waste handled, avoided or reduced (Millions of tonnes (Mt)) Waste recycled (Mt) Recycled content used (Mt) 	Environmental Solutions Company-level KPIs Each Environmental Solutions investment made by the Fund will have a positive value for at least one of the below Environmental Solutions KPIs: <ol style="list-style-type: none"> Water usage avoided or reduced (cubic metres (m3)) Waste water treated or re-used (m3) Land Sustainably Managed or improved (hectares (ha)) Air pollution avoided or improved (Mt)
Investor Contribution	The fund manager aims to enhance the positive impact of the Fund through various investment activities, including engaging with the companies it invests in. These engagements have specific goals, such as: <ul style="list-style-type: none"> Ensuring the company is committed to its goals and has good management practices to achieve them. Helping the company set clear and meaningful targets based on its goals. Improving how the company measures and reports its progress. Encouraging the company to reward its management and workers for meeting their impact targets. More information on Engagement and other investor contribution activities is available in the Prospectus.		
Social Impact Outcomes	Better Health	Social Inclusion	Better Work & Education
Impact Outcome <i>(This is the social outcome the Fund is seeking to achieve.)</i>	Improved health and wellbeing and/or access to quality healthcare.	Increased social and economic inclusion for individuals or groups.	Improved access to quality work, better working conditions, and/or quality education.

¹ Our approach is informed by metrics from credible third parties, particularly the “IRIS” impact metrics developed by GIIN which are intended to provide global standards for measuring impact. This assessment primarily uses information from the company, including annual reports, sustainability reporting or from direct engagements. Where necessary we draw on specialist third-party SDG and impact data and research vendors, eg Net Purpose, alongside academic or scientific insights to complete due diligence and research, and we also use data from generalist third-party data vendors such as MSCI or Bloomberg.

Social Impact Outcomes	Better Health	Social Inclusion	Better Work & Education
Beneficiaries <i>(The beneficiaries of the Impact Outcome.)</i>	People living with diseases or illness without effective treatment or those without sufficient access to necessary healthcare interventions or services, including under-served communities.	People with limited access to fundamental services to enable full social and economic participation, including under-served and/or under-represented individuals and groups.	People who work in high-risk industries (eg construction) or poor working conditions. People who lack access to education or services required to improve their employment opportunities, including under-served and/or under-represented individuals and groups.
Company Impact Activities <i>(Types of activities (and therefore types of companies) which should have a pre-defined, positive, measurable impact on the Impact Outcome.)</i>	The companies the fund invests in will generate or enable products or services that lead to improved health and wellbeing and/or access to quality healthcare, namely: <ul style="list-style-type: none"> Contributing to the improved diagnosis and treatment of both communicable (eg malaria) and non-communicable (eg cancer, diabetes) diseases. Conducting Research & Development ('R&D') into under-researched health issues (eg rare genetic diseases) to improve health outcomes for patients. Providing high-quality, affordable products and devices to healthcare providers which improve the affordability and therefore access of the health service for patients. Technologies designed to enhance the accessibility of healthcare services via digital and data-driven solutions (eg online health and diagnosis services). 	The companies the fund invests in will generate or enable products or services that lead to increased social and economic inclusion for under-served and/or under-represented individuals or groups, namely: <ul style="list-style-type: none"> Providing access to everyday social or economic services (eg information, financial services, technology, social care and transportation) which in turn can help to tackle poverty, economic exclusion and empower women and/or marginalised groups. Supporting digital inclusion which enables access to critical services (eg telecommunication companies providing affordable connectivity to remote and/or rural regions). Providing social infrastructure such as decent quality and affordable (below market rent rate) housing in an economy which is facing significant social housing shortage. 	The companies the fund invests in will generate or enable products or services that lead to improved access to quality work, better working conditions, and/or quality education for groups or markets that are not well served, namely: <ul style="list-style-type: none"> Protecting workers operating in hazardous industries, enabling a safer working environment (eg companies manufacturing innovative protective safety equipment for firefighters). Enabling more secure working conditions via improved access to vital support services (eg companies providing workers' compensation insurance for industries that are not well served by mainstream insurers). Improving access to educational services, with a particular focus on under-served and/or under-represented individuals and groups (eg affordable education in lower income countries).
Company-level KPIs <i>(These KPIs are measures which can be used to measure the positive impact of the companies on the Impact Outcome.)</i>	Better Health Company-level KPIs Each Better Health investment made by the Fund will have a positive value for at least one of the below KPIs: <ol style="list-style-type: none"> Total number of people reached (eg patients treated screened, or insured) (number of people) Under-served people reached (eg low income, historically marginalised) (number of people) Units² produced, sold or installed (number) People provided new access (number of people) Products and services supporting health R&D (revenue) Samples or data processed or tested (number) Regulatory approvals or drug pipeline progress (number) 	Social Inclusion Company-level KPIs Each Social Inclusion investment made by the Fund will have a positive value for at least one of the below KPIs, which must be used in a way that measures the effect on the Beneficiaries: <ol style="list-style-type: none"> Total number of people reached (eg customers) (number of people), in either an under-served market, or of a product designed to cater to under-served individuals or groups Under-served and/or under-represented people reached (eg low income, historically marginalised) (number of people) 	Better Work & Education Company-level KPIs Each Better Work & Education investment made by the Fund will have a positive value for at least one of the below KPIs: <ol style="list-style-type: none"> Total number of people reached (eg students, workers protected) (number of people) by companies whose products or services target groups or markets that are not well served Under-served and/or under-represented people reached (eg. low income, historically marginalized) (number of people) Total days of education provided (days)
Investor Contribution	The general approach to the Investor Contribution is the same as summarised above under the Environmental Impact Outcomes – Investor Contribution.		

² Units is a deliberately broad term reflecting the range of different items this may cover, eg from small items like testing kits and vaccines to large equipment like MRI scanners.

Exclusions: what is the Fund not permitted to hold?

The fund manager uses negative screens set up in monitoring systems to filter the investment universe. These screens typically use third party data vendors such as MSCI and Bloomberg. This system is supplemented by the fund manager's sustainability research process, which may result in exceptions against such monitoring, as described below.

Subject to the minimum revenue thresholds stated below, the fund excludes the following:

Global Norms	Environmental		Social	
Sovereign Good Governance *	Thermal Coal Extraction	0%	Adult Entertainment	0%
Corporate Good Governance and Global Norms including the UN Global Compact (UNGIC) *	Oil and Gas Extraction	0%	Alcohol	0%
	Carbon-intensive power generation	5%	Gambling	0%
	Nuclear Power	5%	Tobacco production	0%
			Tobacco distribution	10%
			Controversial Weapons	0%
			Defence and Other Weapons	5%
			Animal testing on non-medical grounds	

* Details of exclusion criteria are available in the Prospectus

Detailed definitions of excluded activities and rules around exceptions to exclusions are specified in the Prospectus.

Other Investments: what else may the Fund hold?

The Fund may hold assets that do not contribute towards the Sustainability Goal as long as they do not conflict with the Sustainability Goal. The Fund is permitted to invest up to 20% in "Other Investments" but in normal market conditions the actual amount is likely to be considerably less.

The Fund may invest in cash, near cash and money market funds for liquidity purposes.

The Fund is also permitted to use derivatives, but this use is limited to hedging of currency risks.

The Fund may also invest in investments where evidence based measurement of the contribution to the Sustainability Goal is not yet possible, for example due to lack of data. Such investments will be kept under review.

It is possible that the Fund may receive investments that are not in line with its Sustainability Goal, eg as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. It may also happen that the fund manager determines investment is no longer contributing sufficiently to the Sustainability Goal. Where an investment is not in line with the Sustainability Goal, and the fund manager does not believe engagement will be successful, the Fund will generally seek to dispose of it in the best interests of investors, but may not always do so immediately. If the investment conflicts with the Sustainability Goal, it will be sold as soon as reasonably practicable in the best interests of investors. Such holdings are infrequent and are unlikely to be a material part of the Fund.

What might pursuing the Sustainability Goal do to financial risk and returns?

Pursuing the Sustainability Goal involves choosing investments that contribute towards it and excluding others. That means the Fund's holdings may be considerably different from its benchmark. It may also differ considerably from funds that are not trying to achieve a sustainability goal, or that try to pursue a different sustainability goal, even where those funds have the same benchmark. In strictly financial terms, that results in a different risk profile, which can have a positive or a negative effect on returns depending on what happens with the market.

Is pursuing the Sustainability Goal expected to result in material negative environmental or social outcomes?

The pursuit of the Sustainability Goal is not expected to result in material negative environmental or social outcomes. Whilst the Fund may allocate to investments that have some negatives detracting from their positive impact, these investments must have a net positive impact.

Full Sustainability Disclosures are available in the Prospectus.