

M&G Global Macro Bond Fund

**Annual report and audited financial statements
for the year ended 31 October 2024**

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Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Global Macro Bond Fund presents its annual report and audited financial statements for the year ended 31 October 2024.

The audited financial statements of M&G Global Macro Bond Fund, the Authorised Corporate Director's Reports including the portfolio statement, financial highlights and the audited financial statements and notes of the fund are presented in their individual sections of this report as set out in the contents page.

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

Company information

This Open-Ended Investment Company (OEIC) is an Investment Company with Variable Capital (ICVC) incorporated under the Open-Ended Investment Companies Regulations 2001. It is authorised and regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2000. The Company is a UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA.

The Company was authorised on 26 January 2009 and the fund was launched on 1 May 2009.

The Company's principal activity is to carry out business as an OEIC.

A shareholder is not liable for the debts of the Company and will never be liable to make any further payment to the Company after paying the purchase price of the shares.

Co-fund managers

Eva Sun-Wai & Robert Burrows are employed by M&G FA Limited which is an associate of M&G Securities Limited.

Please note that effective as of 5 February 2024, Eva Sun-Wai appointed as co-fund manager.

Please note that effective as of 1 August 2024, Robert Burrows replaced Jim Leaviss as co-fund manager.

ACD

M&G Securities Limited
10 Fenchurch Avenue, London EC3M 5AG, UK
Telephone: 0800 390 390 (UK only)
(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of The Investing and Saving Alliance)

Directors of the ACD

M Arona*, N J Brooks, C Dobson (non executive director), S A Fitzgerald**, P R Jelfs, M McGrade (non executive director), L J Mumford

* Appointed 13 January 2025.

** Resigned 13 January 2025.

Investment manager

M&G Investment Management Limited
10 Fenchurch Avenue, London EC3M 5AG, UK
(Authorised and regulated by the Financial Conduct Authority)

Registrar

SS&C Financial Services Europe Ltd
SS&C House, St. Nicholas Lane, Basildon
Essex SS15 5FS, UK
(Authorised and regulated by the Financial Conduct Authority)

Depositary

NatWest Trustee & Depositary Services Limited
House A, Floor 0, Gogarburn, 175 Glasgow Road
Edinburgh EH12 1HQ, UK
(Authorised and regulated by the Financial Conduct Authority)

Authorised Corporate Director's Report

Independent auditor

Ernst & Young LLP
Atria One, 144 Morrison Street, Edinburgh EH3 8EX, UK

Annual value assessment

An annual assessment report is available which shows the value provided to investors in each of M&G's UK-based funds. The assessment report evaluates whether M&G's charges are justified in the context of the overall service delivered to its investors. The latest report to 31 March 2024 can be found on our website at mandg.com/investments/valueassessment

Climate-related Financial Disclosures (TCFD)

We have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD fund reports are designed to help you understand the impact this fund has on the climate and equally how climate change could influence the performance of the fund. The reports will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy and risk management that M&G has in place to manage the risks and opportunities related to climate change, please refer to the M&G Investments Management TCFD report.

These reports are available via the Sustainability Disclosures page on our website at mandg.com/footer/sustainability-disclosures

Important information

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

With effect from 5 February 2024, Eva Sun-Wai appointed as co-fund manager.

With effect from 1 August 2024, Robert Burrows replaced Jim Leaviss as co-fund manager.

From January 2025 the operating charge figure will not include the underlying charges for closed-ended-funds,

such as investment trusts and real estate investment trusts. There is no change to what you are currently being charged, this is a presentational change to align with the latest industry guidance issued by the Investment Association.

Please refer to the 'Investment review' section for further details on significant events during the period. Investment reviews may become quickly outdated in relation to ongoing economic and geopolitical events.

Investor information

The Prospectus, Instrument of Incorporation, Key Investor Information Documents, costs and charges illustration, the latest annual or interim investment report and financial statements as well as a list of purchases and sales are available free of charge on request from the following address. The Instrument of Incorporation can also be inspected at our offices or at the office of the Depositary.

Customer services and administration for UK clients:

M&G Securities Limited
PO Box 9039, Chelmsford CM99 2XG, UK

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

Telephone: 0800 390 390 (UK only)

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

Authorised Corporate Director's Report

Authorised Corporate Director's Responsibilities

The Authorised Corporate Director (ACD) is required to prepare annual and interim reports for the Company. The ACD must ensure that the financial statements, contained in this report, for the fund are prepared in accordance with the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP) and UK Financial Reporting Standards, and give a true and fair view of the net revenue or expenses and net capital gains or losses for the accounting period, and the financial position at the end of that period.

The ACD is required to keep proper accounting records, and to manage the Company in accordance with the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA, the Instrument of Incorporation and the Prospectus, and to take reasonable steps for the prevention and detection of fraud or other irregularities. Additionally, the ACD is responsible for preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in operation.

Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the FCA.

M&G Securities Limited
4 February 2025

Depository's Responsibilities and Report

Statement of the Depository's Responsibilities and Report of the Depository to the Shareholders of M&G Global Macro Bond Fund ('the Company') for the year ended 31 October 2024

The Depository must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

The Depository must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depository is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depository must ensure that:

- the Company's cashflows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ('the AFM') are carried out (unless they conflict with the Regulations).

The Depository also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depository of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Edinburgh
4 February 2025

NatWest Trustee and
Depository Services Limited

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G Global Macro Bond Fund

Opinion

We have audited the financial statements of M&G Global Macro Bond Fund ("the Company") for the year ended 31 October 2024 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution tables, and the accounting policies of the Company, which include a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company as at 31 October 2024 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director's ("the ACD") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

Independent Auditor's Report

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes sourcebook of the Financial Conduct Authority (the "FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the rules of the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the ACD

As explained more fully in the ACD's responsibilities statement set out on page 3, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent Auditor's Report

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), the Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrator and a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate, to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Edinburgh
4 February 2025

Ernst & Young LLP
Statutory Auditor

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 26 April 2024 has been used.

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 Bloomberg Global Aggregate Index Unhedged USD over any five-year period.

Investment policy

At least 80% of the fund is invested, directly or indirectly through derivatives, in debt securities and in asset-backed securities. These securities can be issued or guaranteed by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies from anywhere in the world, including emerging markets. These securities can be denominated in any currency.

Other investments may include other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

There are no credit quality restrictions on the debt securities held by the fund.

Derivatives may be used for investment purposes, efficient portfolio management and hedging.

Investment approach

The fund is globally diversified across a range of debt securities from a variety of sectors and geographies. The fund's investment approach is based on the principle that returns from bond markets are driven by a combination of macroeconomic, asset class, sector, geographic and stock-level factors. As different factors dominate returns at different stages of the economic cycle, the fund manager applies a highly flexible investment approach, changing the blend of duration, credit and the allocation to the various types of bonds in the portfolio to weight them appropriately.

The fund manager also seeks to add value through active management of the fund's exposure to currencies.

Individual credit selection is carried out with the assistance of an in-house team of credit analysts to complement the fund manager's views.

Benchmark

Bloomberg Global Aggregate Index Unhedged USD

The benchmark is a target which the fund seeks to outperform. The index has been chosen as the fund's benchmark as it best reflects the scope of the fund's investment policy. 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 each share class the benchmark will be denominated or hedged into the relevant share class currency. The benchmark for each share class will be shown in its respective KIID.

Authorised Corporate Director's Report

Risk profile

For details of the risks associated with this fund, please refer to the Prospectus. For details of the risk management policies, please refer to pages 37 to 39.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.



The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

Investment review

For the year ended 31 October 2024

Performance against objective

Between 1 November 2023 and 31 October 2024, the M&G Global Macro Bond Fund recorded positive returns across all share classes. The hedged share classes outperformed the benchmark, whereas the unhedged share classes lagged the benchmark, which returned 3.4% in the period.

The fund's benchmark is the Bloomberg Global Aggregate index Unhedged USD. Prior to 19 April 2021 the benchmark was the IA Global Bond Sector average and from 19 April 2021 to 5th March 2023 it was the IA Global Mixed Bond Sector average. Over five years, only the fund's Sterling Class 'I', 'J' and 'PP' unhedged share met the objective of providing a total return (the combination of capital growth and income), net of the ongoing charge figure, higher than the average return of the benchmark, which was -1.2% per

annum over this period. However, the fund's other share classes did not meet this objective.

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

Performance review

The twelve months under review saw positive returns from global bond markets, with high yield bonds outperforming their less risky counterparts, investment grade bonds. Core government bond markets – US Treasuries, UK gilts and German bunds – also increased during the period. During the initial months of the review period, market sentiment was bolstered by the easing of inflationary pressures, optimism about the possibility of interest rate cuts by central banks, and a potential economic 'soft landing' in the US. Emerging market bonds rallied on the back of US dollar weakness. It was a similar story for corporate bonds, as tightening spreads (the narrowing difference in the yields of corporate bonds and government bonds of similar maturities) drove positive returns for investors. However, the rally in the bond market, which began towards the close of 2023, faltered in early 2024 as investors adjusted their expectations for potential interest rate reductions by central banks to a later date.

During the latter half of the period, the US Federal Reserve (Fed) and the Bank of England (BoE) implemented a rate cut for the first time in over four years. The BoE cut its key rate by 0.25%, whereas the Fed reduced its rate by 0.50%. In the same month, the European Central Bank lowered its main interest rate for the second time during the review period. In contrast to most major central banks, the Bank of Japan hiked interest rates to 0.25% during the period, a move that, alongside weak labour market data in the US, triggered a sharp market sell-off. This helped many major currencies outperform the US dollar. This shift was prompted by persistent easing inflation in the US and weakened economic data.

Corporate bond markets were relatively calm and the spreads between the yields of corporate bonds and those of government bonds of the same maturity

Authorised Corporate Director's Report

(which are considered to give an idea of risk appetite in the markets) tightened considerably, supported by an improvement in the economic outlook and strong investor demand caused by the attractive yields on offer. The high yield market outperformed investment grade.

Currency was the biggest driver of the fund's relative underperformance. The next biggest detractor was the inflation impact. The fund's inflation surprise (a measure of the inflation shock that differs from the expectations priced in) proved a disadvantage in periods of easing inflation. On the other hand, the largest driver of outperformance was our yield curve positioning. (The yield curve plots the yields of bonds with different maturity dates. We focus on bonds of particular maturities in order to benefit from expected changes in interest rates across the yield curve.)

Investment activities

Market sentiment for the period under review was focused on easing of inflationary pressures and on interest rate cuts. In terms of interest-rate duration (which measures sensitivity to changes in interest rates), for most of the review period, the fund maintained an above benchmark (overweight) duration position as we believe these should perform well as interest rates decline. Consequently, during the fourth quarter of 2023, we added to 20-year and 30-year US Treasuries, as well as to UK gilts and German bunds through trimming shorter-dated allocations. During the first quarter of 2024, we added long duration Japanese Government Bonds (JGBs) due to a surprisingly steep yield curve. (The yield curve is a graphical representation of interest rates on debt for a range of different maturities, it is said to be steep when the difference between short-term interest rates and long-term interest rates is elevated). However, by the end of the period, the fund reduced its above benchmark duration position to neutral in anticipation of the US election in November, whereas remaining overweight relative to the benchmark in sterling duration due to what we perceived to be attractive yields. Overall, we reduced positions in sterling, euro, and US dollar denominated assets over the period.

Over the period under review we decreased the fund's allocation to government bond holdings. In the fourth quarter of 2023, we sold Canadian sovereign bonds as government bonds rallied. In the second quarter of 2024, the fund shifted allocation from French corporate bonds to French government bonds and switched 10-year Euro bonds to 10-year German bank bonds, reflecting a preference for German credit risk over euro-wide premia. Towards the end of the review period, the fund reduced allocation to German and French short-dated government bonds in favour of Kreditanstalt fuer Wiederaufbau (a German supranational). There was also a switch from New Zealand government bonds to Australian supranational due to relative outperformance.

Overall we decreased the fund's allocation to investment grade corporate bonds during the review period. In investment grade corporate credit, we started the review period by reducing positions in several high yield bonds, as we wanted to position ourselves defensively. We decreased allocation to French telecommunications firm Iliad, German firms Mahle, and ZF Europe Finance, as well as to UK bank NatWest. During the first quarter of 2024, we participated in new issues that we found attractive, such as utility Thames Water and Bank of America. We sold our holdings of Harley-Davidson Financial Services, European residential real estate Heimstaden Bostad, and some financial companies' bonds. In the following quarter, we sold several names including Canadian pharmaceutical company Bausch Health, French utilities company Engie and bank Societe Generale, and global technology group Prosus. Over the end of the period, a few switches were carried out, such as BNP Paribas 2026 bonds into 2031 bonds and a partial switch from a New York Life 2027 bond into a 2030 bond. We reduced our allocation to Takeda Pharmaceutical. We remain below the benchmark (underweight) in investment-grade credit and outright short in high yield. Short positions seek to profit from a fall in the price of an asset.

On the emerging market front, we took profits on some local Colombian bonds after significant strength in the

Authorised Corporate Director's Report

local currency at the start of the period. More generally, we reduced risk by buying protection on the credit default swap (CDS) index – an insurance-like contract that allows an investor to transfer the default risk of a bond to another investor. As the period progressed, we added a Mexican government bond maturing in 2032. We favoured allocation to Indonesia, and certain Latin American markets such as Peru, Uruguay, and Colombia.

In currencies, towards the end of the period we reduced our Japanese yen position, the fund's single largest active currency allocation, after a strong rally, which helped to offset some of the losses in the earlier part of the period. We also reduced some allocation to the Canadian dollar, the Swedish krona, and the New Zealand dollar. The fund ended the period with a flat US dollar allocation going into the election, and short both euro and sterling. In emerging markets, we increased allocation to the Mexican peso. We maintained above benchmark positions in the Brazilian real and Indonesia's rupiah at the end of the review period.

Outlook

The fund's overweight duration position was reduced to neutral in anticipation of the US election at the beginning of November as we felt significant volatility in fixed income markets might be possible. We prefer to maintain a low-risk stance, allowing us the flexibility to respond to market developments.

The UK Budget announcement at the end of October caused considerable volatility; however, the macroeconomic environment is expected to be the primary driver of the direction of yields, which we expect to move lower over time.

We continue to expect a slowdown in growth alongside a period of consistent monetary easing, however the speed of this is uncertain, and may be somewhat challenged depending on the fiscal policy path taken as a result of the US election. We believe there will be opportunities as a result of divergence between different economies, and as such, whilst the fund ended the period neutral duration versus the benchmark at a headline level, there are a number of

individual country positions underneath the surface. The characteristics we believe are key to navigate through the next year are flexibility and dynamism, and the fund will continue to exhibit those characteristics to capture opportunities as a result of ever-evolving market narratives.

Eva Sun-Wai & Robert Burrows

Co-fund managers

Employees of M&G FA Limited which is an associate of M&G Securities Limited. Please note that effective as of 5 February 2024, Eva Sun-Wai appointed as co-fund manager. Please note that effective as of 1 August 2024, Robert Burrows replaced Jim Leaviss as co-fund manager.

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

Portfolio statement

Investments

Holding		as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
	Fixed income	690,072	91.78	98.49
	Debt securities	696,615	92.65	98.81
	'AAA' credit rated bonds	160,176	21.30	15.03
US\$5,140,000	Apple, Inc. 2.65% 08/02/2051	3,313	0.44	
AU\$51,041,000	Australia Government Bonds 1.75% 21/06/2051	17,589	2.34	
€5,325,000	BlackRock European CLO XII DAC FRN 4.155% 17/01/2035	5,758	0.77	
€7,082,197	Bundesschatzanweisungen 2.5% 13/03/2025	7,684	1.02	
CA\$13,570,000	Canada Government Bonds 3.75% 01/02/2025	9,751	1.30	
€12,144,337	Deutsche Bundesrepublik Bonds Inflation-Linked 0.1% 15/04/2026	16,474	2.19	
€10,607,265	Deutsche Bundesrepublik Bonds Inflation-Linked 0.5% 15/04/2030	14,651	1.95	
INR695,000,000	European Bank for Reconstruction & Development 6.75% 14/03/2031	8,125	1.08	
€1,541,831	Jubilee Place BV FRN 4.045% 17/07/2058	1,678	0.22	
€21,981,000	Kreditanstalt fuer Wiederaufbau 2.625% 10/01/2034	23,565	3.13	
€2,800,000	Margay CLO I DAC FRN 5.134% 15/07/2036	3,049	0.41	
€7,775,310	Netherlands Government Bonds 2.5% 15/07/2033	8,369	1.11	
€3,400,000	New York Life Global Funding 0.25% 23/01/2027	3,490	0.46	
£1,766,000	New York Life Global Funding 0.75% 14/12/2028	1,953	0.26	
£3,339,000	New York Life Global Funding 1.25% 17/12/2026	4,027	0.54	
€1,750,000	New York Life Global Funding 3.625% 09/01/2030	1,945	0.26	
NOK113,561,000	Norway Government Bonds 1.75% 13/03/2025	10,240	1.36	
NOK109,188,000	Norway Government Bonds 1.75% 17/02/2027	9,479	1.26	
€5,513,000	RRE 5 Loan Management DAC FRN 4.134% 15/01/2037	5,977	0.79	
€2,819,000	Voya Euro CLO III DAC FRN 4.104% 15/04/2033	3,059	0.41	
	'AA' credit rated bonds	242,842	32.30	41.14
€1,263,000	Deutsche Bahn Finance GmbH 3.625% 18/12/2037	1,411	0.19	
€2,093,554	French Republic Government Bonds OAT 3% 25/05/2054	2,017	0.27	
€11,503,851	Kingdom of Belgium Government Bonds 0.35% 22/06/2032	10,382	1.38	
€270,435	Ludgate Funding PLC FRN 3.486% 01/01/2061	285	0.04	
US\$1,907,000	Metropolitan Life Global Funding I FRN 5.7633% 21/03/2025	1,911	0.25	
€2,133,000	Nestle Finance International Ltd. 3.25% 15/01/2031	2,363	0.31	

Portfolio statement

Investments (continued)

Holding	as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Fixed income (continued)			
Debt securities (continued)			
'AA' credit rated bonds (continued)			
£2,935,000 Nestle Holdings, Inc. 2.125% 04/04/2027	3,588	0.48	
AU\$18,763,000 Treasury Corp. of Victoria 2% 17/09/2035	8,858	1.18	
£7,493,707 U.K. Gilts 0.625% 22/10/2050	3,774	0.50	
£13,314,076 U.K. Gilts 3.5% 22/10/2025	17,090	2.27	
£13,778,424 U.K. Gilts 4% 22/01/2060	15,475	2.06	
£4,760,022 U.K. Inflation-Linked Gilts 0.125% 22/03/2046	7,065	0.94	
£2,458,541 U.K. Inflation-Linked Gilts 0.125% 22/03/2068	3,028	0.40	
US\$9,871,600 U.S. Treasury Bills 0% 17/12/2024	9,812	1.31	
US\$20,185,000 U.S. Treasury Bonds 2% 15/11/2041	14,038	1.87	
US\$29,584,400 U.S. Treasury Bonds 3.375% 15/08/2042	25,272	3.36	
US\$28,740,700 U.S. Treasury Inflation-Indexed Bonds 0.75% 15/02/2045	29,544	3.93	
US\$23,904,000 U.S. Treasury Inflation-Indexed Bonds 2.375% 15/01/2027	37,683	5.01	
US\$5,336,100 U.S. Treasury Inflation-Indexed Notes 0.125% 15/04/2026	6,219	0.83	
US\$19,153,400 U.S. Treasury Inflation-Indexed Notes 1.125% 15/01/2033	19,028	2.53	
US\$10,358,700 U.S. Treasury Notes 4% 15/02/2034	10,139	1.35	
US\$13,965,100 U.S. Treasury Notes 4.125% 15/11/2032	13,860	1.84	
'A' credit rated bonds	120,101	15.97	8.45
€3,300,000 Banco Bilbao Vizcaya Argentaria SA 1.75% 26/11/2025	3,546	0.47	
£1,981,000 Bank of America Corp. Var 3.584% 27/04/2031	2,381	0.32	
US\$1,340,000 Bank of America Corp. Var 5.468% 23/01/2035	1,360	0.18	
€2,900,000 Banque Federative du Credit Mutuel SA 0.625% 21/02/2031	2,629	0.35	
US\$4,080,000 Barclays PLC Var 7.437% 02/11/2033	4,584	0.61	
£2,500,000 BNP Paribas SA 1.25% 13/07/2031	2,511	0.33	
€2,200,000 BNP Paribas SA 2.1% 07/04/2032	2,145	0.29	
€3,600,000 BPCE SA 0.25% 15/01/2026	3,789	0.50	
£3,000,000 BPCE SA 6.125% 24/05/2029	3,983	0.53	
€3,576,000 Comcast Corp. 0% 14/09/2026	3,681	0.49	
£2,095,000 Comcast Corp. 5.5% 23/11/2029	2,788	0.37	
US\$1,427,000 Comcast Corp. 5.5% 15/11/2032	1,482	0.20	
£1,898,000 Coventry Building Society Var 5.875% 12/03/2030	2,488	0.33	

Portfolio statement

Investments (continued)

Holding	as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Fixed income (continued)			
Debt securities (continued)			
'A' credit rated bonds (continued)			
€1,940,000 Coventry Building Society Var 7% 07/11/2027	2,594	0.34	
€3,687,000 Goldman Sachs Group, Inc. 4.25% 29/01/2026	4,744	0.63	
US\$841,000 ING Groep NV Var 4.252% 28/03/2033	791	0.11	
US\$2,234,000 International Business Machines Corp. 1.7% 15/05/2027	2,081	0.28	
¥1,761,100,000 Japan Government Forty Year Bonds 0.4% 20/03/2056	6,717	0.89	
£2,245,000 John Deere Bank SA 5.125% 18/10/2028	2,950	0.39	
€4,703,000 JPMorgan Chase & Co. Var 1.001% 25/07/2031	4,479	0.60	
US\$6,000,000 JPMorgan Chase & Co. Var 1.045% 19/11/2026	5,760	0.77	
MYR22,174,000 Malaysia Government Bonds 4.254% 31/05/2035	5,188	0.69	
US\$506,000 MetLife, Inc. 5% 15/07/2052	476	0.06	
US\$1,098,159 Mitchells & Butlers Finance PLC FRN 5.6065% 15/12/2030	1,031	0.14	
€2,693,000 Morgan Stanley Var 0.497% 07/02/2031	2,508	0.33	
£1,023,000 National Gas Transmission PLC 5.75% 05/04/2035	1,320	0.18	
€2,863,000 Nationwide Building Society 2% 28/04/2027	3,039	0.40	
US\$3,638,000 Nationwide Building Society 4.85% 27/07/2027	3,648	0.48	
£992,000 Nationwide Building Society Var 6.178% 07/12/2027	1,312	0.17	
US\$3,777,000 Nationwide Building Society Var 6.557% 18/10/2027	3,886	0.52	
US\$2,224,000 NatWest Group PLC Var 4.892% 18/05/2029	2,205	0.29	
US\$1,338,000 Societe Generale SA 4.677% 15/06/2027	1,333	0.18	
€2,154,000 Spain Government Bonds 1% 30/07/2042	1,573	0.21	
€3,577,000 Spain Government Bonds 1.9% 31/10/2052	2,688	0.36	
€12,942,000 Spain Government Bonds 2.55% 31/10/2032	13,698	1.82	
€2,503,000 Swisscom Finance BV 3.5% 29/11/2031	2,770	0.37	
US\$2,347,000 UBS Group AG Var 6.246% 22/09/2029	2,446	0.33	
US\$1,715,000 Walt Disney Co. 3.8% 13/05/2060	1,280	0.17	
€2,323,000 Wolters Kluwer NV 0.75% 03/07/2030	2,217	0.29	
'BBB' credit rated bonds	143,663	19.11	27.29
US\$1,826,000 AIB Group PLC Var 6.608% 13/09/2029	1,917	0.26	
COP13,335,000,000 Bogota Distrito Capital 9.75% 26/07/2028	2,856	0.38	

Portfolio statement

Investments (continued)

Holding		as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Fixed income (continued)				
Debt securities (continued)				
'BBB' credit rated bonds (continued)				
€3,462,000	Bulgaria Government International Bonds 4.625% 23/09/2034	4,090	0.54	
€2,945,000	CBRE Global Investors Open-Ended Funds SCA SICAV- SIF-Pan European Core Fund 0.5% 27/01/2028	2,908	0.39	
COP39,766,400,000	Colombia TES 7.75% 18/09/2030	8,029	1.07	
€2,665,000	Croatia Government International Bonds 1.125% 04/03/2033	2,484	0.33	
£3,900,000	Electricite de France SA 5.5% 25/01/2035	4,838	0.64	
£1,902,000	Hiscox Ltd. 6% 22/09/2027	2,506	0.33	
£1,850,000	HSBC Holdings PLC 7% 07/04/2038	2,541	0.34	
IDR198,165,000,000	Indonesia Treasury Bonds 8.25% 15/05/2036	13,921	1.85	
IDR72,336,000,000	Indonesia Treasury Bonds 8.375% 15/03/2034	5,077	0.68	
€4,985,000	Italy Buoni Poliennali Del Tesoro 3.25% 01/03/2038	5,091	0.68	
€6,824,000	Italy Buoni Poliennali Del Tesoro 5.75% 01/02/2033	8,658	1.15	
US\$1,538,000	Lowe's Cos., Inc. 4.25% 01/04/2052	1,239	0.16	
MXN202,740,500	Mexico Bonos 5% 06/03/2025	9,907	1.32	
MXN53,449,100	Mexico Bonos 8.5% 18/11/2038	2,335	0.31	
€2,834,000	Mexico Government International Bonds 4.4899% 25/05/2032	3,080	0.41	
£1,496,000	Mexico Government International Bonds 5.625% 19/03/2114	1,420	0.19	
£726,108	Mitchells & Butlers Finance PLC FRN 5.8186% 15/12/2033	862	0.11	
€3,730,000	National Grid PLC 0.25% 01/09/2028	3,632	0.48	
£1,645,000	Northumbrian Water Finance PLC 6.375% 28/10/2034	2,170	0.29	
US\$3,166,000	Oracle Corp. 6.25% 09/11/2032	3,398	0.45	
PEN16,593,000	Peru Government Bonds 6.15% 12/08/2032	4,326	0.58	
PEN34,916,000	Peru Government International Bonds 6.9% 12/08/2037	9,075	1.21	
PHP345,000,000	Philippines Government International Bonds 6.25% 14/01/2036	5,842	0.78	
US\$2,081,000	PVH Corp. 4.625% 10/07/2025	2,070	0.28	
€2,641,000	Romania Government International Bonds 1.75% 13/07/2030	2,438	0.32	

Portfolio statement

Investments (continued)

Holding		as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Fixed income (continued)				
Debt securities (continued)				
'BBB' credit rated bonds (continued)				
US\$4,176,000	Romania Government International Bonds 3.625% 27/03/2032	3,585	0.48	
€2,739,000	Romania Government International Bonds 6.625% 27/09/2029	3,244	0.43	
£1,362,000	Severn Trent Utilities Finance PLC 5.25% 04/04/2036	1,704	0.23	
€2,670,000	Smurfit Kappa Treasury ULC 1.5% 15/09/2027	2,777	0.37	
£1,041,000	Southern Water Services Finance Ltd. 3% 28/05/2037	904	0.12	
UYU152,617,189	Uruguay Government International Bonds 3.875% 02/07/2040	5,148	0.68	
€2,669,000	Verizon Communications, Inc. 0.75% 22/03/2032	2,407	0.32	
US\$1,325,000	Warnermedia Holdings, Inc. 4.054% 15/03/2029	1,234	0.16	
£2,100,000	Yorkshire Power Finance Ltd. 7.25% 04/08/2028	2,861	0.38	
£2,489,000	Yorkshire Water Finance PLC 5.25% 28/04/2030	3,089	0.41	
	'BB' credit rated bonds	25,390	3.38	6.12
BRL33,094,000	Brazil Notas do Tesouro Nacional 10% 01/01/2029	5,256	0.70	
BRL49,000,000	Brazil Notas do Tesouro Nacional 10% 01/01/2031	7,558	1.01	
ZAR182,326,845	Republic of South Africa Government Bonds 9% 31/01/2040	8,672	1.15	
€2,263,000	Serbia International Bonds 1% 23/09/2028	2,207	0.29	
€1,957,000	Serbia International Bonds 1.65% 03/03/2033	1,697	0.23	
	'B' credit rated bonds	0	0.00	0.44
	'CCC' credit rated bonds	4,321	0.57	0.10
ARS100,000,000	Argentine Bonos del Tesoro 15.5% 17/10/2026	73	0.01	
£2,840,000	Thames Water Utilities Finance PLC 3.5% 25/02/2028	2,857	0.38	
US\$865,324	Ukraine Government International Bonds 1.75% 01/02/2034	411	0.05	
US\$673,030	Ukraine Government International Bonds 1.75% 01/02/2035	312	0.04	
US\$384,588	Ukraine Government International Bonds 1.75% 01/02/2036	176	0.02	
US\$105,040	Ukraine Government International Bonds 3% 01/02/2030	50	0.01	
US\$392,520	Ukraine Government International Bonds 3% 01/02/2034	146	0.02	

Portfolio statement

Investments (continued)

Holding		as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Fixed income (continued)				
Debt securities (continued)				
'CCC' credit rated bonds (continued)				
US\$331,707	Ukraine Government International Bonds 3% 01/02/2035	162	0.02	
US\$276,423	Ukraine Government International Bonds 3% 01/02/2036	134	0.02	
'C' credit rated bonds		0	0.00	0.23
'D' credit rated bonds		0	0.00	0.01
Bonds with no credit rating		122	0.02	0.00
€2,808,101	Silverback Finance DAC 3.1261% 25/02/2037 ^a	122	0.02	
Debt derivatives		(6,543)	(0.87)	(0.32)
Credit default swaps		(5,036)	(0.67)	0.06
US\$(30,000,000)	CDX.EM.S39 20/06/2028	237	0.03	
US\$(14,300,000)	CDX.EM.S40 20/12/2028	205	0.03	
US\$(22,407,000)	CDX.NA.HY.S39 20/12/2027	(1,757)	(0.23)	
US\$(20,700,000)	CDX.NA.IG.S39 20/12/2027	(436)	(0.06)	
US\$(34,300,000)	CDX.NA.IG.S41 20/12/2028	(807)	(0.11)	
€(10,458,596)	iTraxx Europe Crossover S38 20/12/2027	(1,085)	(0.15)	
€(11,200,000)	iTraxx Europe S38 20/12/2027	(244)	(0.03)	
€(22,200,000)	iTraxx Europe Senior Financials S38 20/12/2027	(471)	(0.06)	
€(56,900,000)	iTraxx Europe Sub Financials S38 20/12/2027	(678)	(0.09)	
Interest rate swaps		104	0.01	0.01
¥4,450,000,000	Pay 0.565% Receive VAR 09/08/2029	104	0.01	
Interest rate futures		(1,611)	(0.21)	(0.39)
564	CBOT 2 Year U.S. Treasury Notes Futures Dec 2024	(879)	(0.11)	
323	CBOT 5 Year U.S. Treasury Notes Futures Dec 2024	(732)	(0.10)	
Currency		(2,149)	(0.29)	(0.08)
Forward currency contracts		(2,149)	(0.29)	(0.08)
¥5,040,800,000	Bought for €31,130,806 (expires 15.01.25)	(613)	(0.08)	
£31,990,759	Bought for €38,062,003 (expires 15.01.25)	14	0.00	
SEK114,120,000	Bought for €10,043,361 (expires 15.01.25)	(237)	(0.03)	
CHF2,600,000	Bought for €2,783,817 (expires 15.01.25)	(7)	0.00	
€9,919,449	Bought for SEK114,120,000 (expires 15.01.25)	102	0.01	
¥3,550,000,000	Bought for £18,426,910 (expires 15.01.25)	(440)	(0.06)	

Portfolio statement

Investments (continued)

Holding	as at 31.10.24 \$'000	as at 31.10.24 %	as at 31.10.23 %
Currency (continued)			
Forward currency contracts (continued)			
BRL59,000,000 Bought for US\$10,273,376 (expires 08.01.25)	(107)	(0.02)	
CA\$12,033,102 Bought for US\$8,746,735 (expires 15.01.25)	(77)	(0.01)	
€16,403,092 Bought for US\$17,912,402 (expires 15.01.25)	(30)	0.00	
¥8,687,106,190 Bought for US\$59,032,583 (expires 15.01.25)	(1,601)	(0.21)	
KRW12,311,675,438 Bought for US\$9,167,908 (expires 15.01.25)	(195)	(0.03)	
£5,125,000 Bought for US\$6,667,080 (expires 15.01.25)	(17)	0.00	
AU\$(24,602,337) Sold for US\$16,421,031 (expires 15.01.25)	244	0.03	
BRL(20,500,000) Sold for US\$3,651,585 (expires 08.01.25)	119	0.02	
€(11,020,000) Sold for US\$11,948,746 (expires 15.01.25)	(65)	(0.01)	
¥(778,800,000) Sold for US\$5,232,927 (expires 15.01.25)	84	0.01	
PEN(34,500,000) Sold for US\$9,164,807 (expires 15.01.25)	7	0.00	
£(93,876,899) Sold for US\$122,498,808 (expires 15.01.25)	691	0.09	
ZAR(162,000,000) Sold for US\$9,095,100 (expires 15.01.25)	(21)	0.00	
Share class hedging	(159)	(0.02)	(0.06)
Forward currency contracts for share class hedging	(159)	(0.02)	(0.06)
£15,373,717 Bought for US\$20,113,654 (expires 06.11.24)	(162)	(0.02)	
£(900,266) Sold for US\$1,171,678 (expires 06.11.24)	3	0.00	
Total portfolio	687,764	91.47	98.35
Net other assets/(liabilities)	64,107	8.53	1.65
Net assets attributable to shareholders	751,871	100.00	100.00

^a Fair valued.

Portfolio statement

Top ten portfolio transactions for the year to 31 October 2024

Largest purchases	\$'000
Kreditanstalt fuer Wiederaufbau 2.625% 10/01/2034	34,228
U.S. Treasury Notes 4% 31/01/2029	25,917
U.S. Treasury Bills 0% 17/12/2024	24,755
U.S. Treasury Inflation-Indexed Notes 1.125% 15/01/2033	22,610
U.K. Gilts 4% 22/01/2060	18,374
U.S. Treasury Notes 0.875% 30/06/2026	16,682
U.S. Treasury Bonds 2% 15/11/2041	16,296
Republic of South Africa Government Bonds 9% 31/01/2040	15,509
U.S. Treasury Notes 4% 15/02/2034	15,278
Norway Government Bonds 1.75% 13/03/2025	15,062
Other purchases	129,070
Total purchases	333,781

Largest sales	\$'000
U.S. Treasury Bonds 3% 15/11/2044	57,229
U.S. Treasury Inflation-Indexed Bonds 2.375% 15/01/2027	51,639
U.S. Treasury Notes 4.125% 15/11/2032	38,802
U.S. Treasury Notes 0.25% 15/06/2024	37,523
U.S. Treasury Notes 4% 31/01/2029	26,177
Italy Buoni Poliennali Del Tesoro 5.75% 01/02/2033	25,729
U.K. Gilts 4.125% 29/01/2027	24,593
Bundesschatzanweisungen 2.5% 13/03/2025	22,937
U.K. Gilts 3.75% 22/10/2053	22,667
U.S. Treasury Bonds 3% 15/08/2052	22,411
Other sales	743,254
Total sales	1,072,961

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

Financial highlights

Fund performance

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

As different share classes have different attributes, for example charging structures and minimum investments, please be aware that their performance may be different.

For additional information, including monthly fund commentaries, fund facts, historic prices, distribution rates, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share class

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. Please refer to 'Specific share class performance' tables for the share class launch dates.

Share class	One year % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+0.3	-3.0	-1.5	+2.0
Class 'A' Accumulation	+0.3	-2.9	-1.5	+2.0
Class 'A-H' Income	+6.2	-5.9	-2.4	n/a
Class 'A-H' Accumulation	+6.3	-5.9	-2.4	n/a
Class 'I' Income	+0.7	-2.6	-1.1	+2.5
Class 'I' Accumulation	+0.7	-2.6	-1.1	+2.5
Class 'I-H' Income	+6.9	-5.5	-2.0	n/a
Class 'I-H' Accumulation	+6.9	-5.4	-2.0	n/a
Class 'J' Income	+0.8	-2.5	-1.0	n/a
Class 'J-H' Income	+6.6	-5.6	-2.0	n/a
Class 'PP' Income	+0.8	-2.5	-1.0	n/a
Class 'PP' Accumulation	+0.8	-2.5	-1.0	n/a
Class 'PP-H' Income	+6.8	-5.5	n/a	n/a
Class 'R' Income	+0.4	-2.8	-1.3	+2.2
Class 'R' Accumulation	+0.5	-2.8	-1.3	+2.2
Class 'R-H' Income	+6.4	-5.8	-2.3	n/a
Class 'R-H' Accumulation	+6.4	-5.7	-2.2	n/a
Benchmark^b	+3.4	-3.0	-1.2	+1.7

^a Not annualised.

^b The benchmark prior to 19 April 2021 was the IA Global Bond Sector average. From 19 April 2021 to 5 March 2023 it was the IA Global Mixed Bond Sector average. Thereafter it is Bloomberg Global Aggregate Index Unhedged USD.

Financial highlights

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share).

'Operating charges' and 'Direct transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income shares

The share class was launched on 15 October 1999.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	72.35	78.55	84.74
Return before operating charges*	0.91	(2.16)	(3.26)
Operating charges	(0.75)	(0.80)	(0.87)
Return after operating charges*	0.16	(2.96)	(4.13)
Distributions	(3.26)	(3.24)	(2.06)
Closing NAV	69.25	72.35	78.55
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.22	(3.77)	(4.87)
Other information			
Closing NAV (\$'000)	6,711	7,401	9,344
Number of shares	7,466,810	8,398,829	10,309,830
Operating charges (%)	1.04	1.03	1.03
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	76.34	82.48	87.83
Lowest share price (UK p)	69.97	71.95	79.29

Sterling Class 'A' Accumulation shares

The share class was launched on 15 October 1999.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	128.01	133.24	140.15
Return before operating charges*	1.61	(3.85)	(5.46)
Operating charges	(1.36)	(1.38)	(1.45)
Return after operating charges*	0.25	(5.23)	(6.91)
Distributions	(4.52)	(4.22)	(1.97)
Retained distributions	4.52	4.22	1.97
Closing NAV	128.26	128.01	133.24
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.20	(3.93)	(4.93)
Other information			
Closing NAV (\$'000)	10,235	12,975	19,588
Number of shares	6,149,189	8,323,399	12,742,392
Operating charges (%)	1.04	1.03	1.03
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	135.09	140.97	145.26
Lowest share price (UK p)	126.68	126.35	133.12

Financial highlights

Sterling Class 'A-H' Income shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	70.85	73.87	96.40
Return before operating charges*	5.05	1.07	(19.51)
Operating charges	(0.79)	(0.82)	(0.93)
Return after operating charges*	4.26	0.25	(20.44)
Distributions	(3.28)	(3.27)	(2.09)
Closing NAV	71.83	70.85	73.87
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.01	0.34	(21.20)
Other information			
Closing NAV (\$'000)	455	20	20
Number of shares	488,000	23,060	23,060
Operating charges (%)	1.07	1.06	1.06
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	78.29	81.76	96.84
Lowest share price (UK p)	69.81	70.41	72.66

Sterling Class 'A-H' Accumulation shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	87.01	86.92	110.55
Return before operating charges*	6.30	1.07	(22.55)
Operating charges	(0.98)	(0.98)	(1.08)
Return after operating charges*	5.32	0.09	(23.63)
Distributions	(3.10)	(2.92)	(1.35)
Retained distributions	3.10	2.92	1.35
Closing NAV	92.33	87.01	86.92
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.11	0.10	(21.37)
Other information			
Closing NAV (\$'000)	12	21	20
Number of shares	10,000	19,714	19,714
Operating charges (%)	1.07	1.06	1.06
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	97.28	97.12	111.06
Lowest share price (UK p)	86.27	85.83	84.71

Financial highlights

Sterling Class 'I' Income shares

The share class was launched on 16 December 2011.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	111.34	120.39	129.33
Return before operating charges*	1.39	(3.33)	(4.98)
Operating charges	(0.72)	(0.75)	(0.81)
Return after operating charges*	0.67	(4.08)	(5.79)
Distributions	(5.02)	(4.97)	(3.15)
Closing NAV	106.99	111.34	120.39
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.60	(3.39)	(4.48)
Other information			
Closing NAV (\$'000)	204,910	378,048	411,258
Number of shares	147,589,415	278,845,772	296,092,641
Operating charges (%)	0.64	0.63	0.63
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	117.53	126.51	134.11
Lowest share price (UK p)	107.97	110.61	121.50

Sterling Class 'I' Accumulation shares

The share class was launched on 16 December 2011.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	143.87	149.16	156.26
Return before operating charges*	1.81	(4.34)	(6.11)
Operating charges	(0.94)	(0.95)	(0.99)
Return after operating charges*	0.87	(5.29)	(7.10)
Distributions	(5.67)	(5.32)	(2.84)
Retained distributions	5.67	5.32	2.84
Closing NAV	144.74	143.87	149.16
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.60	(3.55)	(4.54)
Other information			
Closing NAV (\$'000)	437,216	735,735	948,583
Number of shares	232,770,926	419,931,806	551,209,058
Operating charges (%)	0.64	0.63	0.63
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	151.93	157.98	162.03
Lowest share price (UK p)	142.78	141.90	148.82

Financial highlights

Sterling Class 'I-H' Income shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	73.46	76.30	99.19
Return before operating charges*	5.45	1.06	(20.11)
Operating charges	(0.51)	(0.53)	(0.63)
Return after operating charges*	4.94	0.53	(20.74)
Distributions	(3.62)	(3.37)	(2.15)
Closing NAV	74.78	73.46	76.30
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.72	0.69	(20.91)
Other information			
Closing NAV (\$'000)	156	287	311
Number of shares	160,953	320,376	353,590
Operating charges (%)	0.67	0.66	0.66
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	81.45	84.53	99.66
Lowest share price (UK p)	72.39	73.01	75.05

Sterling Class 'I-H' Accumulation shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	90.76	90.31	114.42
Return before operating charges*	6.75	1.09	(23.39)
Operating charges	(0.65)	(0.64)	(0.72)
Return after operating charges*	6.10	0.45	(24.11)
Distributions	(4.93)	(2.90)	(1.82)
Retained distributions	4.93	2.90	1.82
Closing NAV	96.86	90.76	90.31
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.72	0.50	(21.07)
Other information			
Closing NAV (\$'000)	16,573	31,164	18,032
Number of shares	13,185,014	28,198,562	17,305,333
Operating charges (%)	0.67	0.66	0.66
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	102.00	101.01	114.97
Lowest share price (UK p)	89.97	89.51	88.01

Financial highlights

Sterling Class 'J' Income shares

The share class was launched on 4 May 2018.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	89.77	97.07	104.29
Return before operating charges*	1.18	(2.67)	(4.01)
Operating charges	(0.58)	(0.62)	(0.66)
Return after operating charges*	0.60	(3.29)	(4.67)
Distributions	(4.11)	(4.01)	(2.55)
Closing NAV	86.26	89.77	97.07
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.67	(3.39)	(4.48)
Other information			
Closing NAV (\$'000)	204	281	1,706
Number of shares	182,251	256,917	1,523,141
Operating charges (%)	0.64	0.63	0.63
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	94.82	102.00	108.14
Lowest share price (UK p)	87.05	89.19	97.97

Financial highlights

Sterling Class 'J-H' Income shares

The share class was launched on 4 May 2018.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	75.00	77.92	101.39
Return before operating charges*	5.35	1.05	(20.61)
Operating charges	(0.52)	(0.54)	(0.66)
Return after operating charges*	4.83	0.51	(21.27)
Distributions	(3.48)	(3.43)	(2.20)
Closing NAV	76.35	75.00	77.92
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.44	0.65	(20.98)
Other information			
Closing NAV (\$'000)	12	22	26
Number of shares	12,000	23,620	28,620
Operating charges (%)	0.67	0.66	0.66
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	82.93	86.28	101.86
Lowest share price (UK p)	73.91	74.53	76.63

Financial highlights

Sterling Class 'PP' Income shares

The share class was launched on 5 August 2019.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	80.84	87.32	93.72
Return before operating charges*	1.04	(2.41)	(3.62)
Operating charges	(0.44)	(0.46)	(0.50)
Return after operating charges*	0.60	(2.87)	(4.12)
Distributions	(3.68)	(3.61)	(2.28)
Closing NAV	77.76	80.84	87.32
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.74	(3.29)	(4.40)
Other information			
Closing NAV (\$'000)	65,561	184,950	233,308
Number of shares	64,971,428	187,883,045	231,584,541
Operating charges (%)	0.54	0.53	0.53
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	85.39	91.78	97.19
Lowest share price (UK p)	78.45	80.29	88.13

Sterling Class 'PP' Accumulation shares

The share class was launched on 8 April 2019.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	98.93	102.46	107.23
Return before operating charges*	1.24	(2.99)	(4.19)
Operating charges	(0.55)	(0.54)	(0.58)
Return after operating charges*	0.69	(3.53)	(4.77)
Distributions	(3.99)	(3.76)	(2.06)
Retained distributions	3.99	3.76	2.06
Closing NAV	99.62	98.93	102.46
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.70	(3.45)	(4.45)
Other information			
Closing NAV (\$'000)	5,230	5,470	1,935
Number of shares	4,045,519	4,540,548	1,637,319
Operating charges (%)	0.54	0.53	0.53
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	104.49	108.54	111.20
Lowest share price (UK p)	98.25	97.55	102.18

Financial highlights

Sterling Class 'PP-H' Income shares

The share class was launched on 28 April 2021.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	72.88	75.60	98.27
Return before operating charges*	5.23	1.06	(20.10)
Operating charges	(0.43)	(0.45)	(0.43)
Return after operating charges*	4.80	0.61	(20.53)
Distributions	(3.43)	(3.33)	(2.14)
Closing NAV	74.25	72.88	75.60
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.59	0.81	(20.89)
Other information			
Closing NAV (\$'000)	1,231	3,343	10,197
Number of shares	1,277,858	3,767,132	11,691,127
Operating charges (%)	0.57	0.56	0.56
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	80.65	83.76	98.74
Lowest share price (UK p)	71.81	72.41	74.36

Financial highlights

Sterling Class 'R' Income shares

The share class was launched on 3 August 2012.

for the year to 31 October Change in NAV per share	2024 UK p	2023 UK p	2022 UK p
Opening NAV	104.99	113.81	122.58
Return before operating charges*	1.31	(3.13)	(4.71)
Operating charges	(0.94)	(0.99)	(1.08)
Return after operating charges*	0.37	(4.12)	(5.79)
Distributions	(4.72)	(4.70)	(2.98)
Closing NAV	100.64	104.99	113.81
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.35	(3.62)	(4.72)
Other information			
Closing NAV (\$'000)	561	694	747
Number of shares	429,208	543,049	568,929
Operating charges (%)	0.89	0.88	0.88
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	110.78	119.54	127.08
Lowest share price (UK p)	101.64	104.36	114.87

Sterling Class 'R' Accumulation shares

The share class was launched on 3 August 2012.

for the year to 31 October Change in NAV per share	2024 UK p	2023 UK p	2022 UK p
Opening NAV	132.70	137.92	144.85
Return before operating charges*	1.66	(4.00)	(5.65)
Operating charges	(1.20)	(1.22)	(1.28)
Return after operating charges*	0.46	(5.22)	(6.93)
Distributions	(4.86)	(4.57)	(2.26)
Retained distributions	4.86	4.57	2.26
Closing NAV	133.16	132.70	137.92
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	0.35	(3.78)	(4.78)
Other information			
Closing NAV (\$'000)	2,674	2,434	2,508
Number of shares	1,547,437	1,506,420	1,576,278
Operating charges (%)	0.89	0.88	0.88
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	140.08	145.98	150.16
Lowest share price (UK p)	131.46	130.94	137.72

Financial highlights

Sterling Class 'R-H' Income shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	71.95	74.91	97.62
Return before operating charges*	5.13	1.05	(19.78)
Operating charges	(0.69)	(0.71)	(0.81)
Return after operating charges*	4.44	0.34	(20.59)
Distributions	(3.33)	(3.30)	(2.12)
Closing NAV	73.06	71.95	74.91
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.17	0.45	(21.09)
Other information			
Closing NAV (\$'000)	59	58	49
Number of shares	62,187	65,999	56,513
Operating charges (%)	0.92	0.91	0.91
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	79.53	82.94	98.06
Lowest share price (UK p)	70.90	71.51	73.68

Sterling Class 'R-H' Accumulation shares

The share class was launched on 7 August 2015.

for the year to 31 October	2024	2023	2022
Change in NAV per share	UK p	UK p	UK p
Opening NAV	88.50	88.30	112.12
Return before operating charges*	6.42	1.06	(22.89)
Operating charges	(0.86)	(0.86)	(0.93)
Return after operating charges*	5.56	0.20	(23.82)
Distributions	(3.32)	(3.10)	(1.52)
Retained distributions	3.32	3.10	1.52
Closing NAV	94.06	88.50	88.30
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	6.28	0.23	(21.25)
Other information			
Closing NAV (\$'000)	71	87	83
Number of shares	58,523	80,931	81,437
Operating charges (%)	0.92	0.91	0.91
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	99.09	98.71	112.65
Lowest share price (UK p)	87.75	87.30	86.05

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Statement of total return

for the year to 31 October	Note	2024		2023	
		\$'000	\$'000	\$'000	\$'000
Income					
Net capital gains/(losses)	5		52,466		(34,074)
Revenue	7	52,503		75,846	
Expenses	8	(7,319)		(10,951)	
Interest payable and similar charges		(48)		(18)	
Net revenue/(expense) before taxation		45,136		64,877	
Taxation	9	(311)		(339)	
Net revenue/(expense) after taxation			44,825		64,538
Total return before distributions			97,291		30,464
Distributions	10		(47,838)		(68,840)
Change in net assets attributable to shareholders from investment activities			49,453		(38,376)

Statement of change in net assets attributable to shareholders

for the year to 31 October	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		1,362,990		1,657,715
Amounts received on issue of shares	42,324		452,904	
Amounts paid on cancellation of shares	(728,582)		(747,034)	
		(686,258)		(294,130)
Dilution adjustments		793		1,506
Change in net assets attributable to shareholders from investment activities (see above)		49,453		(38,376)
Retained distributions on Accumulation shares		24,891		36,275
Unclaimed distributions		2		0
Closing net assets attributable to shareholders		751,871		1,362,990

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Financial statements

Balance sheet

as at 31 October	Note	2024 \$'000	2023 \$'000
Assets			
Fixed assets			
Investments		698,425	1,356,616
Current assets			
Debtors	11	23,218	191,054
Cash and bank balances	12	41,642	50,132
Cash equivalents		12,137	14,461
Total assets		775,422	1,612,263
Liabilities			
Investment liabilities		(10,661)	(16,175)
Creditors			
Bank overdrafts		0	(8,817)
Overdrawn positions at futures clearing houses and collateral manager		(127)	(39)
Distribution payable		(3,169)	(4,235)
Other creditors	13	(9,594)	(220,007)
Total liabilities		(23,551)	(249,273)
Net assets attributable to shareholders		751,871	1,362,990

Financial statements and notes

Notes to the financial statements

1 Statement of compliance

The financial statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017, except in relation to the separate disclosure in note 15.

2 Summary of significant accounting policies

a. Basis of preparation

There are no material events that have been identified that may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. The ACD has made an assessment of the fund's ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, declines in global capital markets, investor intention, known redemption levels, expense projections and key service provider's operational resilience.

The financial statements of M&G Global Macro Bond Fund are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

b. Functional and presentational currency

The functional and presentational currency of M&G Global Macro Bond Fund is US dollars.

c. Exchange rates

Transactions in currencies other than the fund's functional currency are translated at the rate of exchange ruling on the date of the transaction and where applicable assets and liabilities are translated into the fund's functional currency at the rate of exchange ruling as at 12 noon on 31 October 2024 being the last business day of the accounting period.

d. Investments – recognition and valuation

The provisions of both Section 11 and Section 12 of FRS 102 have been applied in full. All investments have been classified as fair value through profit and loss and recognised initially at fair value, which is normally the transaction price (excluding transaction costs and accrued interest).

At the end of the reporting period all investments have been measured at their fair value using the prices and the portfolio holdings determined at 12 noon on 31 October 2024, being the last valuation point of the accounting period, as this is not materially different from a valuation carried out at close of business on the balance sheet date.

Where separate bid and offer prices are available, the bid price is used for investment assets and the offer price for investment liabilities. Otherwise, the single price or most recent transaction price is used. Interest accrued is not included in the fair value. The methods of determining fair value for the principal classes of investment are:

- Debt securities which are traded on an active market are included at the quoted price, which is normally the bid price, excluding any accrued interest in respect of bonds.
- Collective investment schemes operated by the ACD are included at either their cancellation price for dual priced funds or their single price for single priced funds.

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- Collective investment schemes operated by another manager are included at either their bid price for dual priced funds or their single price for single priced funds.
- Other debt securities which are unquoted or not actively traded on a quoted market are included at a value estimated by the ACD using an appropriate valuation technique, excluding any accrued interest.
- Exchange traded futures and options are included at the cost of closing out the contract at the balance sheet date.
- Over the counter credit default swaps, interest rate swaps, asset swaps and inflation swaps are included at a value provided by Markit Valuations Limited, an independent credit derivative price provider. Their fair value excludes any accrued interest in respect of derivatives where the income is revenue in nature.
- Forward currency contracts, for share class hedging and investment, are included at a value determined by reference to current forward exchange rates for contracts with similar maturity profiles.

e. Recognition of income and expenses

- Distributions from collective investment schemes are recognised when the scheme is priced ex-distribution.
- Interest on debt securities is recognised on an effective interest rate basis. Bank interest is recognised on an accruals basis.
- Underwriting commission is recognised when the issue takes place.
- Revenue from derivatives is recognised on an accruals basis.
- Fee rebates from investing in other collective investment schemes are recognised on an accruals basis.
- Expenses are recognised on an accruals basis.

f. Treatment of income and expenses

- Any increases or decreases in the fair value of investments and gains and losses realised on sales of investments are treated as capital and recognised in net capital gains/(losses).
- Distributions from collective investment schemes are treated as revenue in nature, except for any element of equalisation, which represents the average amount of income included in the price paid for the collective investment scheme, which is treated as capital.
- Debt security interest comprises the coupon interest and the difference between the purchase price and the expected maturity price spread over its expected remaining life. This is treated as revenue with the difference adjusting the cost of the shares and treated as capital.
- Other interest income, such as bank interest is treated as revenue.
- Underwriting commission is treated as revenue, except where the fund is required to take up all or some of the shares underwritten, in which case a proportion of the commission received is deducted from the cost of the shares and treated as capital.

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- The treatment of the income on derivative contracts depends upon the nature of the transaction. Both motive and circumstances are used to determine whether the returns should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital, and the circumstances support this, the returns are recognised in net capital gains; similarly where the motives and circumstances are to generate or protect revenue, and the circumstances support this, the returns are included within net revenue before taxation. Where positions generate total returns it will generally be appropriate to apportion such returns between capital and revenue to properly reflect the nature of the transaction.
- Expenses relating to the purchase and sale of investments are treated as capital; all other expenses are treated as revenue.
- Rebates of charges from holdings in collective investment schemes are treated as revenue or capital in accordance with the underlying scheme's distribution policy.

g. Operating charges

Operating charges include payments made to M&G and to providers independent of M&G:

- **Annual charge:** Charge paid to M&G covering the annual cost of M&G managing and administering the fund and the costs of third parties providing services to the fund.
For every £1 billion of a fund's net asset value, a discount of 0.02% will be applied to that fund's annual charge (up to a maximum of 0.12%).
- **Extraordinary legal and tax expenses:** Costs that specifically relate to legal or tax claims that are both exceptional and unforeseeable. Such expenses are uncommon, and would not be expected in most years. Although they result in a short-term cost to the fund, generally they can deliver longer term benefits for investors.
- **Ongoing charges from underlying funds:** Ongoing charges from underlying funds (excluding Investment Trust Companies and Real Estate Investment Trusts) will be rebated.

These charges do not include portfolio transaction costs or any entry and exit charges (also known as initial and redemption charges). The charging structures of share classes may differ, and therefore the operating charges may differ.

Operating charges are in line with the ongoing charges shown in the Key Investor Information Document, other than where there have been extraordinary legal or tax expenses, or an estimate has been used for the ongoing charge because a material change has made the operating charges unreliable as an estimate of future charges.

h. Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange and method of execution. They are made up of direct and indirect portfolio transaction costs:

- **Direct portfolio transaction costs:** Broker execution commission and taxes.
- **Indirect portfolio transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

Investments are bought or sold by a fund when changes are made to the investment portfolio and in response to net flows of money into or out of the fund from investors buying and selling shares in the fund.

To protect existing investors, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

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i. Tax

Where applicable, income receivable is recognised at an amount that includes any withholding tax but excludes irrecoverable tax credits. Any withholding tax suffered is shown as part of the tax charge.

Tax is accounted for at the appropriate rate of corporation tax with relief for double taxation taken where appropriate. The tax accounting treatment follows the principal amounts involved.

Deferred tax is recognised in respect of temporary timing differences that have originated but not reversed by the balance sheet date. Deferred tax is measured on a non-discounted basis, at the average rate of tax expected to apply in the period in which it expects the deferred tax to be realised or settled. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

Marginal tax relief has not been taken into account in respect of expenses offset against capital.

j. Allocation of returns to share classes

The annual charge is directly attributable to individual share classes. All other returns are apportioned to the fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the income or expenses are recognised.

All available net revenue accounted for in accordance with the above policies and adjusted where relevant by any specific distribution policies set out in the notes to that fund's financial statements, is distributed to holders of Income shares or retained and reinvested for holders of Accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the fund.

3 Risk management policies

The ACD is responsible for establishing, implementing and maintaining an adequate and documented risk management policy for identifying, measuring and managing all risks to which the fund is or might be exposed.

The Company's investment activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests; market risk, credit risk and liquidity risk.

These financial statements are designed to enable users to evaluate the nature and extent of those risks and how they are managed.

The following risk management policies are applicable to the fund, with specific risk disclosures set out in notes 19 to 23 in this report.

a. Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in a fund's portfolio attributable to changes in market variables, such as interest rates, exchange rates, equity and commodity prices or an issuer's creditworthiness.

In relation to market risk, processes are applied that take account of the investment objective and policy of the fund. The fund is subject to an investment oversight process in accordance with the type and nature of the fund. In addition the fund is monitored for compliance within regulatory limits.

In measuring and monitoring market risk, the global exposure of a fund is calculated using a 'Value at Risk' (VaR) approach.

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b. Value at Risk approach

The Value at Risk (VaR) approach is a methodology for estimating the maximum potential loss due to market risk based on historic market volatilities and correlations. More particularly, the VaR approach gives a broad indication of the maximum potential loss at a given confidence level (probability), over a specific time period under normal market conditions.

When VaR is used, it may be calculated using the Absolute VaR approach or the Relative VaR approach.

Absolute VaR is the VaR expressed as a percentage of the Net Asset Value of a fund which must not exceed an absolute limit. Under the Absolute VaR approach, the VaR limit is set as a percentage of the Net Asset Value of the relevant fund. The absolute 20-day VaR based on a 99% confidence interval must not exceed 20% of the fund's Net Asset Value.

Under the Relative VaR approach, the VaR limit for a fund is set as a multiple of the VaR of the fund's reference portfolio. The 20-day VaR of the fund based on a 99% confidence interval must not exceed twice the VaR of the fund's reference portfolio. The Investment Manager monitors this limit by ensuring that the VaR of the fund divided by the VaR of the reference portfolio is not greater than 200%.

c. Liquidity risk

Liquidity risk is the risk that a fund's holdings cannot be sold, liquidated or closed out at limited cost in an adequately short time frame and that the ability of the scheme to comply at any time with its obligation to sell and redeem shares is thereby compromised.

The overall liquidity profile for the fund is reviewed and updated regularly. The liquidity profile takes into account investment, cashflow and market liquidity considerations.

Investment liquidity considerations include an assessment of asset class liquidity conditions, liquidity of underlying holdings, portfolio construction and concentration, the scale of individual stock ownership and the nature of the investment strategy.

Cashflow liquidity is managed in the fund on a daily basis using reports that include subscription and redemption information as well as the impact of trading, derivative lifecycle events and corporate action activity. In addition to the daily reporting, the fund managers are provided with reporting that highlights the impact of reasonably predictable events in the portfolio, including an allowance for the potential future exposures that might result from derivative exposures.

Market (or distribution-related) considerations include an assessment of asset demand, fund growth, client concentration and the persistency of the client base. Supplementary to this, market liquidity stress tests are carried out on a monthly basis for all sophisticated funds.

Liquidity in funds is independently assessed and challenged through the internal governance process at M&G. Fund liquidity is modelled and compared against potential liability scenarios such as severe redemption or collateral calls and any funds with liquidity issues are flagged to the internal committee. Funds flagged to the internal committee are escalated and remedial action agreed. The fund has not been escalated for remedial action.

d. Credit risk

For funds exposed to credit risk, the credit rating, yield and maturity of each interest bearing security is considered to determine if the yield fully reflects the risk. The capital value of interest-bearing securities within the funds will fall in the event of the default or perceived increased credit risk of an issuer.

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The capital value of interest-bearing securities within a fund may also be affected by interest rate fluctuations such that when interest rates rise, the capital value of the interest-bearing securities is likely to fall and vice versa.

Funds investing in derivatives are exposed to counterparty risk. This is the risk that the other party to the transaction fails to fulfil their obligations, either by failing to pay or failing to deliver securities. To minimise this risk, carefully selected, financially strong and well-established counterparties are selected following a thorough due diligence review and collateral is posted daily (in the form of cash or high-quality government bonds). Derivative positions are valued on a mark-to-market basis (revalued to reflect prevailing market prices) daily and collateral moves from one counterparty to the other to reflect movements in the unrealised profit or loss. As a result, the maximum loss to the fund would be limited to that day's price movements in affected derivatives contracts.

For funds in which they are used, credit default swaps are bought and sold in response to detailed credit research to take advantage of anticipated movements in credit spreads on individual stocks and baskets of securities. When a fund buys a credit default swap the default risk associated with the underlying security transfers to the counterparty. When a fund sells a credit default swap the fund assumes the credit risk of the underlying security.

4 Distribution policy

In determining the amount available for distribution to Income shares, the annual charge is offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

5 Net capital gains/(losses)

for the year to 31 October	2024 \$'000	2023 \$'000
Non-derivative securities	82,888	24,299
Derivative contracts	(6,380)	(9,637)
Currency gains/(losses)	(24,042)	(48,736)
Net capital gains/(losses)	52,466	(34,074)

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6 Portfolio transactions and associated costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of the costs please see the sections on 'Operating charges' and 'Portfolio transaction costs' on page 36. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year to 31 October	2024 \$'000	% of transaction	2023 \$'000	% of transaction
a) Purchases				
Debt securities	333,781		1,239,039	
b) Sales				
Debt securities	1,072,961		1,461,888	
Other transaction types				
Corporate actions	0		1,136	
Total sales	1,072,961		1,463,024	
	2024 \$'000	% of average NAV	2023 \$'000	% of average NAV
c) Direct portfolio transaction costs				
Commissions paid				
Derivatives	17	0.00	24	0.00
Taxes paid				
Derivatives	20	0.00	27	0.00
Total direct portfolio transaction costs	37	0.00	51	0.00
		%		%
d) Indirect portfolio transaction costs				
Average portfolio dealing spread as at the balance sheet date		0.29		0.30

7 Revenue

for the year to 31 October	2024 \$'000	2023 \$'000
Bank interest	54	46
Derivative revenue	2,019	1,662
Interest distributions	547	1,141
Interest on debt securities	49,875	72,977
Rebate of ongoing charges from underlying funds	8	20
Total revenue	52,503	75,846

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8 Expenses

for the year to 31 October	2024 \$'000	2023 \$'000
Payable to the ACD or associate		
Annual charge	7,319	10,951
Total expenses	7,319	10,951

Audit fees for the financial year ending 2024 were £13,000 (2023: £13,000) (including VAT), which are covered by the annual charge.

9 Taxation

for the year to 31 October	2024 \$'000	2023 \$'000
a) Analysis of charge in the year		
Corporation tax	0	0
Withholding tax	183	339
Capital gains tax (Indonesian)	128	0
Deferred tax (note 9c)	0	0
Total taxation	311	339
b) Factors affecting taxation charge for the year		
Net revenue/(expense) before taxation	45,136	64,877
Corporation tax at 20%	9,027	12,975
Effects of:		
Interest distributions	(8,925)	(12,610)
Relief for indexation on UK gilts	(102)	(365)
Withholding tax	183	339
Capital gains tax (Indonesian)	128	0
Total tax charge (note 9a)	311	339
c) Provision for deferred taxation		
Provision at the start of the year	0	0
Deferred tax in profit and loss account (note 9a)	0	0
Provision at the end of the year	0	0

The fund has not recognised a deferred tax asset in the current financial year (2023: same).

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10 Distributions

For each distribution period, the distributions payable on Income shares (Inc) and distributions retained on Accumulation shares (Acc) are disclosed.

for the year to 31 October	2024		2023	
	Inc \$'000	Acc \$'000	Inc \$'000	Acc \$'000
Interest distributions				
First interim	6,073	7,321	8,064	9,861
Second interim	5,796	7,290	8,109	10,338
Third interim	4,846	5,802	8,923	11,789
Final	3,169	4,478	4,235	4,287
Total net distributions		44,775		65,606
Income deducted on cancellation of shares		3,308		6,290
Income received on issue of shares		(245)		(3,056)
Distributions		47,838		68,840
Net revenue/(expense) per statement of total return		44,825		64,538
Expenses offset against capital		2,885		4,240
Capital gains tax offset against capital		128		0
Income deficit transferred to capital		0		62
Distributions		47,838		68,840

11 Debtors

as at 31 October	2024 \$'000	2023 \$'000
Amounts receivable on issues of shares	31	0
Currency deals outstanding	2,618	109,854
Debt security interest receivable	7,736	16,718
Distributions receivable	22	22
Sales awaiting settlement	12,811	64,440
Withholding tax recoverable	0	20
Total debtors	23,218	191,054

12 Cash and bank balances

as at 31 October	2024 \$'000	2023 \$'000
Amounts held at futures clearing houses and collateral manager	38,107	40,336
Cash held as bank balances	3,535	9,796
Total cash and bank balances	41,642	50,132

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13 Other creditors

as at 31 October	2024 \$'000	2023 \$'000
Amounts payable on cancellation of shares	6,736	109,918
Annual charge payable	237	386
Currency deals outstanding	2,621	109,703
Total other creditors	9,594	220,007

14 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2023: same).

15 Shares in issue

The following table shows each class of share in issue during the year. Each share class has the same rights on winding up however they may have different charging structures as set out in note 16.

Share class	Opening 01.11.23	Issued	Movements Cancelled	Converted	Closing 31.10.24
Sterling					
Class 'A' Income	8,398,829	293,711	(1,225,730)	0	7,466,810
Class 'A' Accumulation	8,323,399	78,292	(2,252,502)	0	6,149,189
Class 'A-H' Income	23,060	475,000	(10,060)	0	488,000
Class 'A-H' Accumulation	19,714	0	(9,714)	0	10,000
Class 'I' Income	278,845,772	11,526,039	(142,782,396)	0	147,589,415
Class 'I' Accumulation	419,931,806	8,394,713	(195,555,593)	0	232,770,926
Class 'I-H' Income	320,376	163,878	(323,301)	0	160,953
Class 'I-H' Accumulation	28,198,562	3,686,398	(18,699,946)	0	13,185,014
Class 'J' Income	256,917	0	(74,666)	0	182,251
Class 'J-H' Income	23,620	0	(11,620)	0	12,000
Class 'PP' Income	187,883,045	3,349,986	(126,261,603)	0	64,971,428
Class 'PP' Accumulation	4,540,548	697,464	(1,192,493)	0	4,045,519
Class 'PP-H' Income	3,767,132	0	(2,489,274)	0	1,277,858
Class 'R' Income	543,049	3,422	(117,263)	0	429,208
Class 'R' Accumulation	1,506,420	249,049	(208,032)	0	1,547,437
Class 'R-H' Income	65,999	20,014	(23,826)	0	62,187
Class 'R-H' Accumulation	80,931	131	(22,539)	0	58,523

It is not possible to separately identify all share class conversions. As a result, the share class movements (issued/cancelled) as disclosed in the table above may also include share class conversions.

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16 Charging structure

The table below sets out the charging structure for each class of share. The charging structure is the same for both Income and Accumulation shares of each class. The amounts shown are the maximum annual charge. M&G will apply a discount of 0.02% for every £1 billion of a fund's net asset value. This is assessed quarterly and implemented on a forward basis no later than 13 business days after quarter end.

Share class	Annual charge %
Sterling	
Class 'A'	1.05
Class 'A-H'	1.08
Class 'I'	0.65
Class 'I-H'	0.68
Class 'J'	0.65
Class 'J-H'	0.68
Class 'PP'	0.55
Class 'PP-H'	0.58
Class 'R'	0.90
Class 'R-H'	0.93

17 Related parties

M&G Securities Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal on all the transactions of shares in the fund except with in specie transactions, where M&G Securities Limited acts as an agent. The aggregate monies received through issues, and paid on cancellations, are disclosed in the 'Statement of change in net assets attributable to shareholders' and note 10. Amounts due to/from M&G Securities Limited in respect of share transactions at the for the year to end are disclosed in notes 11 and 13 where applicable.

Amounts paid to M&G Securities Limited in respect of the annual charge are disclosed in note 8. Amounts due at the year end in respect of the annual charge are disclosed in note 13.

Amounts paid to M&G Securities Limited in respect of rebate arrangements for the annual charge are disclosed in note 7.

At the balance sheet date, shareholders from within M&G plc, of which M&G Securities Limited is a wholly owned subsidiary, have holdings totalling 0.22% (2023: 0.13%) of the fund's shares.

18 Fair value analysis

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

Level 1: Unadjusted quoted price in an active market for an identical instrument

This includes instruments such as publicly traded equities, highly liquid bonds (eg Government bonds) and exchange traded derivatives (eg futures) for which quoted prices are readily and regularly available.

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Level 2: Valuation technique using observable market data

This includes instruments such as over-the-counter (OTC) derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds which have been valued using models with observable market data inputs.

Level 3: Valuation technique using unobservable inputs

This refers to instruments which have been valued using models with unobservable data inputs. This includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

as at 31 October	Assets 2024 \$'000	Liabilities 2024 \$'000	Assets 2023 \$'000	Liabilities 2023 \$'000
Level 1	283,070	(1,611)	613,573	(5,260)
Level 2	415,233	(9,050)	742,924	(10,915)
Level 3	122	0	119	0
	698,425	(10,661)	1,356,616	(16,175)

Level 3 assets comprise solely of Silverback Finance (2023: Silverback Finance).

19 Risk management policies

The general risk management policies for the fund are set out in note 3 to the financial statements on pages 37 to 39.

20 Market risk sensitivity and exposure

VaR is the risk measurement methodology used to assess the fund's leverage and market risk volatility. When VaR is calculated as a percentage of the net asset value it may not be greater than the VaR limit set for the fund.

The VaR limit set during the financial year to 31 October 2024 was 20% (2023: 20%).

The lowest, highest and average utilisation of VaR with reference to the limit above, are calculated during the financial years ended 31 October 2024 and 31 October 2023.

for the year to 31 October	2024 Utilisation of VaR 20%	2023 Utilisation of VaR 20%
Lowest	30.90	28.70
Highest	33.35	36.50
Average	32.23	31.50

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21 Credit risk

The fund is exposed to credit risk both through the credit quality of the investments it holds and through the derivative positions with counterparties. The table below shows the credit quality of the investments held in the portfolio.

as at 31 October	2024 \$'000	2023 \$'000
Investment grade securities	666,782	1,252,717
Below investment grade securities	29,711	94,114
Unrated securities	122	0
Other investments	(8,851)	(6,390)
Total	687,764	1,340,441

The tables below show the exposure to counterparties. Collateral is posted daily, in the form of cash or high-quality government bonds, to minimise this exposure.

as at 31 October 2024	Swaps \$'000	Forward currency contracts \$'000	Futures \$'000
Bank of America Merrill Lynch	0	12	(1,611)
Barclays Bank	(4,932)	0	0
BNP Paribas	0	(58)	0
Citigroup	0	24	0
HSBC	0	(1,048)	0
JPMorgan	0	183	0
Royal Bank of Canada	0	231	0
National Australia Bank	0	(76)	0
Standard Chartered Bank	0	15	0
State Street Bank	0	(2,280)	0
UBS	0	689	0
Total	(4,932)	(2,308)	(1,611)

as at 31 October 2023	Swaps \$'000	Forward currency contracts \$'000	Futures \$'000
Bank of America Merrill Lynch	0	0	(5,261)
Barclays Bank	851	(408)	0
HSBC	0	(219)	0
State Street Bank	0	(3,463)	0
UBS	0	2,110	0
Total	851	(1,980)	(5,261)

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22 Leverage risk

Funds using VaR approaches are required to disclose the level of leverage employed during the financial reporting period.

Derivatives can be used by the fund to generate market exposure to investments exceeding the net asset value. As a result of this exposure, the size of any positive or negative movement in markets may have a more significant effect on the net asset value of the fund.

The lowest, highest and average level of leverage employed and utilisation of the leverage level calculated during the financial years ended 31 October 2024 and 31 October 2023 are disclosed in the table below. Leverage has been calculated using the Gross Sum of Notional Approach for derivative positions only (including forward currency contracts) and excludes all physical holdings. Percentages are expressed with reference to fund valuation.

for the year to 31 October	2024 \$'000	2024 %	2023 \$'000	2023 %
Lowest	963,647	1.20	1,099,318	100.00
Highest	4,520,789	3.31	4,387,486	266.15
Average	1,845,328	1.62	1,984,501	114.34

23 Exchange rate risk for hedged share classes

This fund contains hedged share classes. These share classes operate currency hedges designed to reduce the impact of exchange rates in certain circumstances. As a result, profit and loss on the currency hedges may impact the liquidity of the overall fund. On a day to day basis this is monitored using reporting from the outsourced provider of the hedged share class service. On an ongoing basis the size of the hedged share classes is monitored to ensure that unforeseen exchange rate volatility can be adequately managed without significantly impacting all shareholders. The exposure to forward currency contracts for share class hedging at the year-end accounting date is disclosed in the portfolio statement on page 18.

24 Interest distribution tables

This fund pays quarterly interest distributions and the following table sets out the distribution periods.

Quarterly distribution periods

	Start	End	Xd	Payment
First interim	01.11.23	31.01.24	01.02.24	31.03.24
Second interim	01.02.24	30.04.24	01.05.24	30.06.24
Third interim	01.05.24	31.07.24	01.08.24	30.09.24
Final	01.08.24	31.10.24	01.11.24	31.12.24

The following tables set out for each distribution the rates per share for both Group 1 and Group 2 shares.

Group 1 shares are those purchased prior to a distribution period and therefore their income rate is the same as the distribution rate.

Group 2 shares are those purchased during a distribution period and therefore their distribution rate is made up of income and equalisation. Equalisation is the average amount of income included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to Income

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Tax. Instead, it must be deducted from the cost of shares for Capital Gains Tax purposes. The tables below show the split of the Group 2 rates into the income and equalisation components.

Sterling Class 'A' Income shares

Interest distributions for the year to 31 October	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2024 UK p	2024 UK p	2024 UK p	2023 UK p
First interim	0.2652	0.5182	0.7834	0.8712
Second interim	0.3008	0.5707	0.8715	0.8645
Third interim	0.2829	0.5396	0.8225	0.9704
Final	0.3141	0.4706	0.7847	0.5338

Sterling Class 'A' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2024 UK p	2024 UK p	2024 UK p	2023 UK p
First interim	0.5721	0.4776	1.0497	1.1309
Second interim	0.6305	0.5945	1.2250	1.1508
Third interim	0.4176	0.7405	1.1581	1.3374
Final	0.7488	0.3396	1.0884	0.5962

Sterling Class 'A-H' Income shares

Interest distributions for the year to 31 October	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2024 UK p	2024 UK p	2024 UK p	2023 UK p
First interim	0.7638	0.0000	0.7638	0.8637
Second interim	0.8743	0.0000	0.8743	0.8692
Third interim	0.7362	0.1001	0.8363	1.0026
Final	0.8044	0.0000	0.8044	0.5335

Sterling Class 'A-H' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2024 UK p	2024 UK p	2024 UK p	2023 UK p
First interim	0.6874	0.0000	0.6874	0.7701
Second interim	0.8423	0.0000	0.8423	0.7972
Third interim	0.1610	0.6430	0.8040	0.9474
Final	0.7649	0.0000	0.7649	0.4080

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Sterling Class 'I' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.5543	0.6404	1.1947	1.3357
Second interim	0.4912	0.8516	1.3428	1.3267
Third interim	0.6200	0.6488	1.2688	1.4909
Final	0.4760	0.7355	1.2115	0.8205

Sterling Class 'I' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.6824	0.6400	1.3224	1.4174
Second interim	0.7467	0.7778	1.5245	1.4343
Third interim	0.8231	0.6258	1.4489	1.6507
Final	0.7007	0.6766	1.3773	0.8174

Sterling Class 'I-H' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.8130	0.1946	1.0076	0.8915
Second interim	0.0221	0.8873	0.9094	0.8930
Third interim	0.3770	0.4918	0.8688	1.0350
Final	0.3995	0.4376	0.8371	0.5507

Sterling Class 'I-H' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	1.5726	0.5300	2.1026	0.8961
Second interim	0.5732	0.4057	0.9789	0.9159
Third interim	0.3039	0.6369	0.9408	1.0854
Final	0.4157	0.4870	0.9027	0.0000

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Sterling Class 'J' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.1367	0.8876	1.0243	1.0770
Second interim	1.0830	0.0000	1.0830	1.0698
Third interim	0.2109	0.8121	1.0230	1.2024
Final	0.9772	0.0000	0.9772	0.6615

Sterling Class 'J-H' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.8076	0.0000	0.8076	0.9079
Second interim	0.9274	0.0000	0.9274	0.9109
Third interim	0.1827	0.7028	0.8855	1.0526
Final	0.8545	0.0000	0.8545	0.5588

Sterling Class 'PP' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.4309	0.4758	0.9067	0.9690
Second interim	0.4459	0.5295	0.9754	0.9627
Third interim	0.3692	0.5526	0.9218	1.0820
Final	0.4053	0.4751	0.8804	0.5943

Sterling Class 'PP' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.5556	0.3689	0.9245	0.9996
Second interim	0.4166	0.6571	1.0737	1.0104
Third interim	0.5025	0.5192	1.0217	1.1603
Final	0.6486	0.3251	0.9737	0.5880

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Sterling Class 'PP-H' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.8368	0.0000	0.8368	0.8836
Second interim	0.9028	0.0000	0.9028	0.8845
Third interim	0.1773	0.6837	0.8610	1.0247
Final	0.8308	0.0000	0.8308	0.5378

Sterling Class 'R' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.6032	0.5132	1.1164	1.2625
Second interim	0.5569	0.7082	1.2651	1.2532
Third interim	0.9410	0.2537	1.1947	1.4073
Final	0.4722	0.6679	1.1401	0.7742

Sterling Class 'R' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.6242	0.4786	1.1028	1.2231
Second interim	0.4320	0.8889	1.3209	1.2418
Third interim	0.2781	0.9733	1.2514	1.4374
Final	0.2846	0.8969	1.1815	0.6693

Sterling Class 'R-H' Income shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024 UK p	Equalisation 2024 UK p	2024 UK p	2023 UK p
First interim	0.6035	0.1730	0.7765	0.8745
Second interim	0.6253	0.2647	0.8900	0.8766
Third interim	0.1765	0.6719	0.8484	1.0146
Final	0.8152	0.0030	0.8182	0.5392

Financial statements and notes

Sterling Class 'R-H' Accumulation shares

Interest distributions for the year to 31 October	Income	Group 2	Group 1 & 2	
	2024	Equalisation	Distribution	
	UK p	2024	2024	2023
	UK p	UK p	UK p	UK p
First interim	0.2789	0.4667	0.7456	0.8163
Second interim	0.4862	0.4107	0.8969	0.8363
Third interim	0.1763	0.6801	0.8564	0.9967
Final	0.5040	0.3130	0.8170	0.4476

25 Events after the balance sheet date

There were no events after the balance sheet date to disclose.

Other regulatory disclosures

Remuneration

The below disclosure is made in accordance with Undertakings for Collective Investment in Transferable Securities ('UCITS') V and the Guidelines on sound remuneration policies under the UCITS issued by the European Securities and Markets Authority ('ESMA Guidelines').

M&G Securities Limited (the 'UCITS Management Company') is subject to a remuneration policy which is consistent with the principles outlined in the ESMA Guidelines.

The remuneration policy is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of employees is in line with the risk policies and objectives of the UCITS funds managed by the UCITS Management Company. Further details of the remuneration policy can be found on our website: mandgplc.com/who-we-are/mandg-investments/mandg-investments-business-policies

The remuneration policy and its implementation is reviewed on an annual basis, or more frequently where required, and is approved by the M&G plc Board Remuneration Committee. The most recent review found no fundamental issues with no material changes made to the policy.

M&G Securities Limited is required under UCITS to make quantitative disclosures of remuneration. These disclosures are made in line with M&G's interpretation of currently available guidance on quantitative remuneration disclosures. As market or regulatory guidance evolves, M&G may consider it appropriate to make changes to the way in which quantitative disclosures are calculated.

The 'Identified Staff' of M&G Securities Limited are those who could have a material impact on the risk profile of M&G Securities Limited or the UCITS funds it manages and generally includes senior management, risk takers and control functions. 'Identified Staff' typically provide both UCITS and non-UCITS related services and have a number of areas of responsibility. Therefore, only the portion of remuneration for those individuals' services which may be attributable to UCITS

is included in the remuneration figures disclosed. Accordingly the figures are not representative of any individual's actual remuneration. The information needed to provide a further breakdown of remuneration is not readily available and would not be relevant or reliable.

The amounts shown below reflect payments made in respect of the financial year 1 January 2023 to 31 December 2023.

	Fixed Remuneration £'000	Variable Remuneration £'000	Total £'000	Beneficiaries
Senior Management	522	1,466	1,988	11
Other Identified Staff	4,419	18,110	22,529	37

