

M&G Investment Funds (7)

**Annual report and audited financial statements
for the year ended 31 January 2026**

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Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Investment Funds (7) presents its annual report and audited financial statements for the year ended 31 January 2026.

The audited financial statements of M&G Investment Funds (7), the Authorised Corporate Director's Reports including the portfolio statements, financial highlights and the audited financial statements and notes of each sub-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

M&G Investment Funds (7) is an umbrella Open-Ended Investment Company (OEIC) and contains five sub-funds, hereinafter referred to as 'funds' in the rest of this report. Each fund is a UK UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the Financial Conduct Authority (FCA). This 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 FCA under the Financial Services and Markets Act 2000.

The Company was authorised on 29 June 2007. The M&G Global Convertibles Fund was launched on 13 July 2007, the M&G Global Emerging Markets Fund was launched on 5 February 2009, the M&G Global Floating Rate High Yield Fund was launched on 11 September 2014, the M&G Emerging Markets Monthly Income Fund was launched on 21 April 2020 and the M&G Global Corporate Bond Fund was launched on 19 January 2024.

On 11 May 2023, following approval from the FCA, investors were formally notified of the ACD's intention

to close M&G Emerging Markets Monthly Income Fund. The fund closed on 13 July 2023. As at the date of publication of this report, no termination date has been set for the fund.

The Company's principal activity is to carry out business as an OEIC. The Company is structured as an umbrella company, and different funds may be established by the ACD from time to time with the agreement of the Depositary and approval from the FCA. The funds are operated separately and the assets of each fund are managed in accordance with the investment objective and policy applicable to that fund.

As at 31 January 2026, none of the funds held shares of the other funds within this 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.

Fund managers

The following fund managers are employed by M&G FA Limited which is an associate of M&G Securities Limited.

M&G Emerging Markets Monthly Income Fund (closed)

Michael Bourke and Charles De Quinsonas

M&G Global Convertibles Fund

Léonard Vinville

M&G Global Corporate Bond Fund

Ben Lord and Mario Eisenegger

M&G Global Emerging Markets Fund

Michael Bourke

M&G Global Floating Rate High Yield Fund

Lu Yu and Stefan Isaacs

Please note that effective from 30 June 2025, James Tomlins resigned as co-fund manager.

Authorised Corporate Director's Report

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 C Ellis*** (non executive director), P R Jelfs, M A Kwiatkowski****, M McGrade (non executive director), L J Mumford

* Resigned 30 June 2025.

** Resigned 1 October 2025.

*** Appointed 12 March 2025.

**** Appointed 4 December 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)

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 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 these funds have on the climate and equally how climate change could influence the performance of these funds. 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

On 11 May 2023, following approval from the FCA, investors were formally notified of the ACD's intention to close M&G Emerging Markets Monthly Income Fund. The fund closed on 13 July 2023. As at the date of publication of this report, no termination date has been set for the fund.

With effect from 30 June 2025, James Tomlins resigned as co-fund manager of M&G Global Floating Rate High Yield Fund.

Effective from 6 February 2026, M&G Investments has updated its Thermal Coal Investment Policy ('the Policy'). A summary of the update can be found at group.mandg.com/thermal-coal-investment-policy-changes

Our intention under the original Policy was to identify whether companies with significant thermal coal activities had plans to transition away from thermal coal. Companies in emerging markets (so called

Authorised Corporate Director's Report

'non-OECD countries') were given longer to put these plans in place. If they did not, we would consider how best to engage with them. We intended to complete engagement with companies with significant thermal coal exposure in non-OECD countries by March 2024. We then allowed until October 2024 to divest from those companies if they had not adopted transition plans. It took longer than expected to complete this engagement in time for all holdings. For holdings in some funds, we finished the process in early 2025.

We conducted a retrospective review that confirmed, based on our assessment, the delay in engagement did not result in non-compliance with any fund restrictions relating to the Policy. A further review of the operational model was undertaken to ensure all commitments within the updated Policy can be met in a timely fashion on an ongoing basis.

Financial markets continue to be impacted by the invasion of Ukraine. Within the portfolios a small number of Russian securities are held. These securities were fair valued by M&G's Valuation Sub Committee and marked as such in the portfolio statement. In addition, certain funds also hold Russian (RUB) cash balances. The Russian securities and cash are treated as non-contributing to the Net Asset Value and marked at nil, the status of both is reviewed periodically.

Please refer to the 'Investment review' section for details on any 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 each of the funds 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.

For the reasons stated in the ACD's Report and note 2a, the financial statements of the M&G Emerging Markets Monthly Income Fund have not been prepared on a going concern basis.

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
1 April 2026

Depository's Responsibilities and Report

Statement of the Depository's Responsibilities and Report of the Depository to the Shareholders of M&G Investment Funds (7) ('the Company') for the year ended 31 January 2026

The Depository must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Investment Funds 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
1 April 2026

NatWest Trustee and
Depository Services Limited

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G Investment Funds (7)

Opinion

We have audited the financial statements of M&G Investment Funds (7) ("the Company") comprising each of its sub-funds for the year ended 31 January 2026, 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 for each of its sub-funds, and the Notes applicable to the Financial Statements of all sub-funds, which include a summary of 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 comprising each of its sub-funds as at 31 January 2026, and of the net revenue and the net capital gains on the scheme property of the Company comprising each of its sub-funds 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.

Emphasis of matter – Financial statements for the M&G Emerging Markets Monthly Income Fund prepared on a basis other than going concern

We draw attention to note 2a to the financial statements which explains that the Authorised Corporate Director ("the ACD") has closed the M&G Emerging Markets Monthly Income Fund and therefore does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements for this sub-fund only, have been prepared on a basis other than going concern as described in note 2a. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

The financial statements for the M&G Emerging Markets Monthly Income Fund have been prepared on a basis other than going concern as disclosed in note 2a.

In auditing the financial statements of the remaining sub-funds, we have concluded that the ACD's 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 remaining sub-funds' 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 remaining sub-funds' ability to continue as a going concern.

Independent Auditor's Report

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 this gives rise to 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.

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 require 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 ACDs' responsibilities statement set out on page 4, 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.

Independent Auditor's Report

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.

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 opportunity 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 testing of journal entries, with a particular

focus on manually posted entries and those reflecting large and unusual transactions. We also reviewed the reporting to the ACD with respect to the application of the documented policies and procedures and reviewed 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, 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
1 April 2026

Ernst & Young LLP
Statutory Auditor

Financial statements and notes

The financial statements for M&G Investment Funds (7) comprise the individual financial statements for each fund and the notes below.

Notes to the financial statements

1 Statement of compliance

The financial statements of M&G Investment Funds (7) 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 13 for all funds except M&G Emerging Markets Monthly Income Fund.

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 (except for the M&G Emerging Markets Monthly Income Fund). The ACD has made an assessment of each 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 Investment Funds (7) with the exception of M&G Emerging Markets Monthly Income 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.

The M&G Emerging Markets Monthly Income Fund closed on 13 July 2023. As a result, the financial statements of this fund have been prepared on a basis other than going concern. Under this basis, assets are recorded at their recoverable value and liabilities are recorded at their expected settlement value. Any additional costs in respect of the termination of the fund will be borne by the ACD.

b. Functional and presentational currency

Where the functional and presentational currency of a fund is not US dollars this is disclosed in the Financial statements and notes' of that fund.

c. Exchange rates

Transactions in currencies other than each 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 30 January 2026 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 30 January 2026, 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

Financial statements and notes

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:

- Equities and 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.
 - Equities traded on the Alternative Investment Market (AIM), whose liquidity cannot be guaranteed, are included at their quoted bid price as this represents the most objective and appropriate method of valuation.
 - 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.
 - 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 equities and 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 in respect of bonds.
 - Exchange traded futures and options are included at the cost of closing out the contract at the balance sheet date.
 - Over the counter equity options, 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**
- Dividends, including ordinary stock dividends, from equity investments are recognised when the security is quoted ex-dividend.
 - 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).
 - The value of any enhancement to a stock dividend is treated as capital.
 - Ordinary equity dividends, including ordinary stock dividends are treated as revenue.
 - Special dividends, share buy backs or additional share issues may be treated as revenue or capital depending on the facts of each particular case.

Financial statements and notes

- 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.
 - 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

Financial statements and notes

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.

i. Tax

Dividends and similar income receivable are 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 each 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 funds are 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.

Financial statements and notes

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 funds, with specific risk disclosures set out in the notes to the financial statements of each fund.

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 each fund. All funds are subject to an investment oversight process in accordance with the type and nature of the fund. In addition all funds are monitored for compliance within regulatory limits.

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

b. Commitment approach

The commitment approach is applied for funds investing only in traditional asset classes, namely equities, fixed income, money market instruments and collective investment schemes.

In addition, the approach is applied for funds which use or intend to use derivatives or instruments embedding derivatives, but only for efficient portfolio management purposes, or in a simple way not necessarily restricted to efficient portfolio management.

Under the commitment approach the global exposure of funds is measured and monitored using a commitment (adjusted notional) methodology.

Market risk is considered on a daily basis and forms the foundation of investment oversight analysis. This can include for each fund (but is not limited to) the analysis of factors such as fund concentration; style, geographical, industry and market capitalisation biases; active, systematic and specific risk measurements; active money; and beta characteristics.

c. 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%.

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The table below shows funds using the ‘commitment’ approach and those using the ‘Value at Risk (VaR)’ approach:

Fund	Global exposure approach
M&G Emerging Markets Monthly Income Fund (closed)	n/a
M&G Global Convertibles Fund	Relative VaR
M&G Global Corporate Bond Fund	Relative VaR
M&G Global Emerging Markets Fund	Commitment
M&G Global Floating Rate High Yield Fund	Relative VaR

d. 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 each 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 each 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 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. None of the funds have been escalated for remedial action.

e. 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.

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

Financial statements and notes

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.

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Important information

The M&G Emerging Markets Monthly Income Fund closed on 13 July 2023. As at the date of publication of this report, no termination date has been set for the fund. The investment objective, investment policy, investment approach, benchmark, risk profile and investment review have not been disclosed.

Top portfolio transactions

The fund had no portfolio transactions for the year to 31 January 2026.

Financial highlights

As the fund closed on 13 July 2023, the performance, long-term performance by share class and comparative tables have not been disclosed.

Portfolio statement

Investments

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities	0	0.00	0.00
Russia	0	0.00	0.00
8,022 LUKOIL PJSC ^a	0	0.00	
146,908 Sberbank of Russia PJSC ^a	0	0.00	
Total portfolio	0	0.00	0.00
Net other assets/(liabilities)	0	0.00	0.00
Net assets attributable to shareholders	0	0.00	0.00

^a M&G's Valuation Sub Committee are valuing these securities at \$nil.

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Statement of total return

for the year to 31 January	Note	2026		2025	
		\$'000	\$'000	\$'000	\$'000
Income					
Net capital gains/(losses)	2		36		229
Revenue	4	1		(4)	
Expenses	5	0		0	
Interest payable and similar charges		0		(1)	
Net revenue/(expense) before taxation		1		(5)	
Taxation	6	0		0	
Net revenue/(expense) after taxation			1		(5)
Total return before distributions			37		224
Distributions	7		0		0
Change in net assets attributable to shareholders from investment activities			37		224

Statement of change in net assets attributable to shareholders

for the year to 31 January	2026		2025	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		0		0
Amount due to investors	(25)		(237)	
Movement in the amount (due to)/from M&G Securities Limited	(12)		13	
		(37)		(224)
Change in net assets attributable to shareholders from investment activities (see above)		37		224
Closing net assets attributable to shareholders		0		0

The fund closed on 13 July 2023.

Financial statements and notes

Financial statements

Balance sheet

as at 31 January	Note	2026 \$'000	2025 \$'000
Assets			
Fixed assets			
Investments		0	0
Current assets			
Debtors	8	1	1
Cash and bank balances	9	360	323
Total assets		361	324
Liabilities			
Creditors			
Other creditors	10	(361)	(324)
Total liabilities		(361)	(324)
Net assets attributable to shareholders		0	0

The fund closed on 13 July 2023.

Financial statements and notes

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with the 'Summary of significant accounting policies' set out on pages 9 to 12.

2 Net capital gains/(losses)

for the year to 31 January	2026 \$'000	2025 \$'000
Non-derivative securities	0	237
Currency gains/(losses)	36	(8)
Net capital gains/(losses)	36	229

3 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' within 'Notes to the financial statements' on pages 11 and 12. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year to 31 January	2026 \$'000	2025 \$'000
a) Purchases		
b) Sales		
Equities	0	237
c) There were no direct portfolio transaction costs		
	%	%
d) Indirect portfolio transaction costs		
Average portfolio dealing spread as at the balance sheet date	0.00	0.00

4 Revenue

for the year to 31 January	2026 \$'000	2025 \$'000
Bank interest	1	(2)
HMRC FX loss: non taxable	0	(2)
Total revenue	1	(4)

5 Expenses

for the year to 31 January	2026 \$'000	2025 \$'000
Total expenses	0	0

Audit fees for the financial year ending 2026 were £6,000 (2025: £6,000) (including VAT), which are covered by the ACD.

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6 Taxation

for the year to 31 January	2026 \$'000	2025 \$'000
a) Analysis of charge in the year		
Corporation tax	0	0
Withholding tax	0	0
Deferred tax (note 7c)	0	0
Total taxation	0	0
b) Factors affecting taxation charge for the year		
Net revenue/(expense) before taxation	1	(5)
Corporation tax at 20%	0	(1)
Effects of:		
Revenue: non-taxable	0	1
Total tax charge (note 7a)	0	0
c) Provision for deferred taxation		
Provision at the start of the year	0	0
Deferred tax in profit and loss account (note 7a)	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 (2025: same).

7 Distributions

The fund closed on 13 July 2023 therefore no distributions were made with respect to the years ended 31 January 2026 and 31 January 2025.

8 Debtors

as at 31 January	2026 \$'000	2025 \$'000
Withholding tax recoverable	1	1
Total debtors	1	1

9 Cash and bank balances

as at 31 January	2026 \$'000	2025 \$'000
Cash held as bank balances	360	323
Total cash and bank balances	360	323

Financial statements and notes

10 Other creditors

as at 31 January	2026 \$'000	2025 \$'000
Amount due to investors	262	237
Payable to M&G Securities Limited	99	87
Total other creditors	361	324

11 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2025: same).

12 Shares in issue

As the fund closed on 13 July 2023, there were no outstanding shares as at 31 January 2026 (2025: same).

13 Risk management policies

The general risk management policies that are set out in note 3 to the financial statements on pages 12 to 15 are no longer applicable to this fund as it closed on 13 July 2023.

14 Market risk sensitivity and exposure

No values are calculated for the financial year ended 31 January 2026 and 31 January 2025 as the fund closed on 13 July 2023.

15 Leverage risk

No values are calculated for the financial year ended 31 January 2026 and 31 January 2025 as the fund closed on 13 July 2023.

16 Dividend distribution tables

The fund closed on 13 July 2023 therefore no distributions were made with respect to the years ended 31 January 2026 and 31 January 2025.

17 Events after the balance sheet date

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

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For the purposes of these financial statements, the Prospectus dated 28 April 2025 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 charges figure, than the FTSE Global Focus Convertible Index over any five-year period.

Investment policy

At least 70% of the fund is invested in the convertible securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. Exposure to these securities is achieved, either directly or indirectly, through various combinations of corporate bonds, equities and derivatives.

The convertible securities may be denominated in any currency.

The fund may also invest in other transferable securities directly or via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

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

Investment approach

The fund employs a disciplined approach to investment which concentrates on the selection of convertible securities based upon fundamental analysis of individual companies, and their bond and equity characteristics.

The fund manager focuses on convertible securities that provide the best risk-reward features in their view. For these convertible securities, the fund manager expects that the potential gain from the option on the underlying share price exceeds the potential loss from the share price falling.

Benchmark

FTSE Global Focus Convertible Index

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. The fund's holdings may deviate significantly from the benchmark's constituents.

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.

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 12 to 15.

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.

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Investment review

For the year ended 31 January 2026

Performance against objective

Over the reporting period, the M&G Global Convertibles Fund delivered positive total returns (the combination of income and growth of capital) across its unhedged and hedged share classes.

The fund's unhedged share classes outperformed their benchmark, the FTSE Global Focus Convertible Index, which returned 4.3% over the reporting period.

The fund's hedged share classes also outperformed their benchmark, the FTSE Global Focus Convertible Index (Hedged), which posted a return of 13.5% over the reporting period.

Over five years, the fund registered positive returns across all its unhedged share classes and met their objective of delivering a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than the FTSE Global Focus Convertible Index, which returned 1.2% pa over this period.

Over five years, the fund registered positive returns across all its hedged share classes and met their objective of delivering a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than the FTSE Global Focus Convertible Index (Hedged), which returned 2.4% pa over this period.

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

Performance review

The 12-month period to end-January 2026, saw equities post strong gains, while the performance of fixed income investments was more measured. In sterling terms (total returns), the MSCI ACWI Index (a global equities index) returned 10.8%, the Bloomberg Barclays Global Aggregate Index (a fixed income index composed of government bonds and corporate bonds

from both developed and emerging markets) returned -1.7%, while the FTSE Global Focus Convertible Index, returned 4.3%.

Global equity markets experienced significant volatility in early April 2025, triggered by US tariff announcements. However, a subsequent suspension of these measures led to a swift recovery, as worries about trade disruption eased. Market gains were also fuelled by strong corporate earnings, interest rate cuts and continued enthusiasm around artificial intelligence (AI) and technology innovation. Gains were strongest in emerging markets, followed by Asia and Europe, while the US lagged.

Fixed income performance was more measured. The performance of US Treasuries benefited from a fall in yields (the 10-year yield fell from 4.5% to 4.2%), however, a sharp fall in the US dollar in the 12-month period, eroded returns for sterling-based investors. Global corporate bonds and emerging market bonds posted better returns, as credit spreads tightened. (Credit spreads are a measure of the difference between the yield of a corporate bond and a government bond of the same maturity.)

The fund recorded a positive return and materially outperformed its benchmark, which was due to strong stockpicking. Our investment selection in technology, industrials and consumer discretionary was particularly helpful to relative performance and was also notably good in the US, Europe and Asia Pacific ex Japan. Relative performance also benefited from our decision to run with a higher delta and a higher distance to the bond floor than the benchmark. (Delta measures the sensitivity of the convertible price to changes in the underlying share price. The bond floor refers to the lowest price a convertible bond should trade at, when there is no likelihood it will convert.)

In terms of individual names, key contributors to relative performance included holdings in memory/storage and semiconductor names Seagate Technology, Advanced Energy Industries, Samsung Electronics and SK Hynix. Another top contributor was Nebius, a Netherlands-based technology infrastructure company

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developing a portfolio of AI-related assets. In the third quarter of 2025, the company announced a very large multi-year contract worth US\$ 17 billion, to provide services to Microsoft.

Conversely, key detractors included holdings in Lantheus (pharmaceuticals) and tax and accounting software company Vertex. Lantheus suffered due to the uncertainty regarding CMS (US Centers for Medicare and Medicaid Services) pricing proposals for its main product Pylarify. A synthetic bond which has Microsoft as its underlying exposure also detracted. Towards the end of the period, investors were disappointed by the slowing growth in Microsoft's cloud computing business and a large increase in capital expenditure. Key detractors also included some names the fund does not hold, including, Echostar, Zijin Mining and Lumentum. Echostar realised value by selling spectrum to multiple buyers, while Zijin's stock rallied on higher gold and copper prices. Lumentum reported strong earnings on demand from hyperscalers.

Investment activities

We are bottom up investors and portfolio construction is driven by individual stock selection, principally in convertible bonds. We assess equity valuation and growth potential to generate equity upside and credit quality and valuation/yield, to provide downside protection, if the equity falls. Appealing convertible characteristics, to achieve convexity or asymmetric returns (more participation in the upside of equities than in the downside) are also important.

Throughout the review period we ran an underweight (lower exposure relative to the benchmark) to the US as we felt overall valuations looked expensive and we could see many companies with risky and/or unproven business models. On the other hand, the fund held an overweight (higher exposure relative to the benchmark) to Europe, as we saw attractive equity valuations and stronger credit quality. Elsewhere, the fund was overweight Asia ex Japan and had a small underweight to Japan, because of the unappealing fundamental quality of convertible issues there.

Throughout the review period, we were active in adjusting the positioning of the portfolio, buying what we believed were attractively priced convertibles and other securities, while reducing or selling those that no longer satisfied our selection criteria. Activity included switching between different convertible issues from the same company, when we felt there were better terms.

In the first half of the review period, we closed the fund's position in a convertible from STMicroelectronics, which had a low delta, was out-of-the-money and had little chance of benefiting from any potential equity rally. (Out-of-the-money, means the conversion price of the convertible was above the share price of the underlying equity.)

We exited a convertible from MP Materials, a US-based miner of rare earth elements. We felt the combination of high equity valuation, distance to the bond floor and fundamental risks, meant there were better opportunities elsewhere.

Later, we bought a bond issued by Cara Obligations which is exchangeable into the shares of Kering. Like the rest of the luxury industry at the time, Kering was experiencing macroeconomic headwinds and a valuation-driven sell-off, thus we were able to invest at an attractive entry point. Elsewhere in the consumer discretionary sector, we closed our position in a convertible from JD.com, on concerns about competition and margin pressure.

In the second half of the review period, we switched convertibles in Halozyme. The new convertible was shorter-dated and had a lower distance to the bond floor. We also switched convertibles in Ionis Pharmaceutical, selling a bond due in 2026 and buying a new issue due in 2030. The switch reduced our equity sensitivity and downside risk, while still allowing us to benefit from any potential price appreciation. Towards the end of the review period, we sold straight bonds in Ocado, because we felt the risk-reward was not favourable given the ongoing challenges at the business and we switched synthetic bonds in Samsung Electronics issued by Goldman Sachs. We exited the

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high-delta 2028 bond and reinvested the proceeds in a newly issued bond due in 2029.

Outlook

We expect AI to remain a dominant theme in markets in 2026. While AI stocks carry inherent risks, not investing in AI is a risk too. We aim to invest selectively in the AI space in companies with clear, sustainable business models and secured funding, particularly those benefiting from AI infrastructure build-outs. We also see opportunities in indirect plays beyond pure tech, such as electrical equipment manufacturers, utility efficiency providers, and engineering services for nuclear power to support rising AI-driven electricity demand.

Beyond the US, we can identify compelling opportunities in Asia technology and in Europe across defensive, undervalued sectors such as real estate, consumer and healthcare. Also within healthcare, we see strong potential in idiosyncratic biotechnology companies with proven drugs and not yet fully-priced diversified pipelines. Given our expectations of further market volatility in 2026 and sizeable dislocations, it is important for us to be highly selective in choosing investments with the most appealing characteristics: issued by companies with good fundamentals, convertibles with strong credit quality and supportive bond floors; cheap or moderate valuations and less vulnerable to changes in market sentiment. We aim for high equity upside participation, while ensuring we are sufficiently protected against equity downside.

Léonard Vinville

Fund manager

An employee of M&G FA Limited which is an associate of M&G Securities Limited.

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 ^a	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities	25,329	8.40	2.92
20,576 Aptiv PLC	1,615	0.54	
19,757 Assystem SA	1,131	0.37	
14,822 Bill Holdings, Inc.	639	0.21	
942,000 CIMC Enric Holdings Ltd.	1,335	0.44	
10,436 Nexans SA	1,657	0.55	
11,519 Nice Ltd. ADR	1,242	0.41	
36,464 Prysmian SpA	4,353	1.45	
29,239 Seagate Technology Holdings PLC	13,357	4.43	
50,379 Severstal PAO GDR ^b	0	0.00	
Fixed income	276,906	91.85	96.46
Australian dollar denominated bonds	5,239	1.74	1.58
Corporate bonds	5,239	1.74	1.58
AUD7,000,000 DEXUS Finance Pty. Ltd. 3.5% 24/11/2027 (Dexus)	5,239	1.74	
Euro denominated bonds	27,238	9.04	13.61
Corporate bonds	27,238	9.04	13.61
EUR2,001,792 Accor SA 0.7% 07/12/2027 (Accor SA)	2,772	0.92	
EUR2,500,000 Cara Obligations SAS 1.5% 01/12/2030 (Kering SA)	3,523	1.17	
EUR1,000,000 Goldman Sachs Finance Corp. International Ltd. 0% 07/05/2030 (ASML Holding NV)	1,681	0.56	
EUR2,100,000 Nexi SpA 1.75% 24/04/2027 (Nexi SpA)	2,450	0.81	
EUR900,000 Pharming Group NV 4.5% 25/04/2029 (Pharming Group NV)	1,734	0.58	
EUR2,300,000 Saipem SpA 2.875% 11/09/2029 (Saipem SpA)	5,118	1.70	
EUR4,000,000 TAG Immobilien AG 0.625% 11/03/2031 (TAG Immobilien AG)	4,975	1.65	
EUR4,300,000 Vonovia SE 0.875% 20/05/2032 (Vonovia SE)	4,985	1.65	
Hong Kong dollar denominated bonds	5,126	1.70	1.61
Corporate bonds	5,126	1.70	1.61
HKD15,000,000 Alibaba Group Holding Ltd. 0% 09/07/2032 (Alibaba Health Information Technology Ltd.)	2,400	0.80	
HKD20,000,000 GF Securities Co. Ltd. 0% 12/01/2027 (GF Securities Co. Ltd.)	2,726	0.90	

Portfolio statement

Investments (continued)

Holding ^a	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Japanese yen denominated bonds	6,871	2.28	2.51
Corporate bonds	6,871	2.28	2.51
JPY440,000,000 INFRONEER Holdings, Inc. 0% 30/03/2029 (INFRONEER Holdings, Inc.)	3,994	1.33	
JPY420,000,000 Park24 Co. Ltd. 0% 24/02/2028 (Park24 Co. Ltd.)	2,877	0.95	
Sterling denominated bonds	10,233	3.39	4.22
Corporate bonds	10,233	3.39	4.22
GBP3,600,000 Shaftesbury Capital PLC 2% 30/03/2026 (Shaftesbury Capital PLC)	4,933	1.63	
GBP3,900,000 WH Smith PLC 1.625% 07/05/2026 (WH Smith PLC)	5,300	1.76	
US dollar denominated bonds	222,199	73.70	72.93
Corporate bonds	222,199	73.70	72.93
USD2,296,000 Advanced Energy Industries, Inc. 2.5% 15/09/2028 (Advanced Energy Industries, Inc.)	4,669	1.55	
USD2,917,000 AeroVironment, Inc. 0% 15/07/2030 (AeroVironment, Inc.)	3,540	1.17	
USD5,700,000 Alibaba Group Holding Ltd. 0% 15/09/2032 (Alibaba Group Holding Ltd.)	6,441	2.14	
USD2,614,000 Alibaba Group Holding Ltd. 0.5% 01/06/2031 (Alibaba Group Holding Ltd.)	4,688	1.55	
USD2,344,000 Alkami Technology, Inc. 1.5% 15/03/2030 (Alkami Technology, Inc.)	2,341	0.78	
USD375,000 Aptiv Swiss Holdings Ltd. Var 6.875% 15/12/2054	390	0.13	
USD909,000 Astronics Corp. 5.5% 15/03/2030 (Astronics Corp.)	3,192	1.06	
USD11,491,000 Barclays Bank PLC 1% 16/02/2029 (Microsoft Corp.)	11,851	3.93	
USD4,195,000 Bill Holdings, Inc. 0% 01/04/2030 (Bill Holdings, Inc.)	3,741	1.24	
USD2,389,000 BofA Finance LLC 0.6% 25/05/2027 (Merck & Co., Inc.)	2,641	0.88	
USD6,341,000 Box, Inc. 1.5% 15/09/2029 (Box, Inc.)	5,975	1.98	
USD850,000 Bridgebio Pharma, Inc. 0.75% 01/02/2033 (Bridgebio Pharma, Inc.)	879	0.29	
USD1,945,000 Bridgebio Pharma, Inc. 2.5% 15/03/2027 (Bridgebio Pharma, Inc.)	3,727	1.24	
USD9,421,000 Coinbase Global, Inc. 0% 01/10/2032 (Coinbase Global, Inc.)	8,070	2.68	
USD7,660,000 CyberArk Software Ltd. 0% 15/06/2030 (CyberArk Software Ltd.)	8,040	2.67	
USD4,901,000 Enphase Energy, Inc. 0% 01/03/2026 (Enphase Energy, Inc.)	4,878	1.62	

Portfolio statement

Investments (continued)

Holding ^a	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD1,691,000 Exact Sciences Corp. 1.75% 15/04/2031 (Exact Sciences Corp.)	2,071	0.69	
USD1,518,000 Exact Sciences Corp. 2% 01/03/2030 (Exact Sciences Corp.)	2,108	0.70	
USD960,000 FinVolution Group 2.5% 01/07/2030 (FinVolution Group)	766	0.25	
USD900,000 Goldman Sachs Finance Corp. International Ltd. 0% 15/03/2027 (Tencent Holdings Ltd.)	1,484	0.49	
USD2,200,000 Goldman Sachs Finance Corp. International Ltd. 0% 13/03/2028 (China Construction Bank Corp.)	2,345	0.78	
USD3,000,000 Goldman Sachs Finance Corp. International Ltd. 0% 06/11/2028 (Sony Group Corp.)	2,854	0.95	
USD7,300,000 Goldman Sachs Finance Corp. International Ltd. 0% 29/01/2029 (Samsung Electronics Co. Ltd.)	8,256	2.74	
USD1,400,000 Goldman Sachs Finance Corp. International Ltd. 0% 07/03/2030 (Tencent Holdings Ltd.)	1,538	0.51	
USD5,119,000 Grab Holdings Ltd. 0% 15/06/2030 (Grab Holdings Ltd.)	5,227	1.73	
USD4,499,000 H World Group Ltd. 3% 01/05/2026 (H World Group Ltd.)	5,910	1.96	
USD6,160,000 Halozyme Therapeutics, Inc. 0.25% 01/03/2027 (Halozyme Therapeutics, Inc.)	6,908	2.29	
USD3,000,000 HTA Group Ltd. 2.875% 18/03/2027 (Helios Towers PLC)	3,108	1.03	
USD826,000 HTA Group Ltd. 7.5% 04/06/2029	851	0.28	
USD1,414,000 Immunocore Holdings PLC 2.5% 01/02/2030 (Immunocore Holdings PLC)	1,268	0.42	
USD1,483,000 Ionis Pharmaceuticals, Inc. 0% 01/12/2030 (Ionis Pharmaceuticals, Inc.)	1,649	0.55	
USD1,215,000 Ionis Pharmaceuticals, Inc. 1.75% 15/06/2028 (Ionis Pharmaceuticals, Inc.)	2,014	0.67	
USD1,409,000 Itron, Inc. 0% 15/03/2026 (Itron, Inc.)	1,401	0.46	
USD5,782,000 Itron, Inc. 1.375% 15/07/2030 (Itron, Inc.)	6,039	2.00	
USD3,563,000 Jazz Investments I Ltd. 3.125% 15/09/2030 (Jazz Pharmaceuticals PLC)	4,642	1.54	
USD5,036,000 Lantheus Holdings, Inc. 2.625% 15/12/2027 (Lantheus Holdings, Inc.)	5,743	1.90	
USD944,000 Lenovo Group Ltd. 2.5% 26/08/2029 (Lenovo Group Ltd.)	1,132	0.38	
USD954,000 Live Nation Entertainment, Inc. 2.875% 15/01/2030 (Live Nation Entertainment, Inc.)	1,019	0.34	

Portfolio statement

Investments (continued)

Holding ^a	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD1,397,000 Live Nation Entertainment, Inc. 3.125% 15/01/2029 (Live Nation Entertainment, Inc.)	2,080	0.69	
USD872,000 MACOM Technology Solutions Holdings, Inc. 0.25% 15/03/2026 (MACOM Technology Solutions Holdings, Inc.)	2,413	0.80	
USD1,304,000 Mirion Technologies, Inc. 0% 01/10/2031 (Mirion Technologies, Inc.)	1,476	0.49	
USD1,586,000 Mirion Technologies, Inc. 0.25% 01/06/2030 (Mirion Technologies, Inc.)	2,071	0.69	
USD4,300,000 Morgan Stanley Finance LLC 0% 21/03/2028 (Taiwan Semiconductor Manufacturing Co. Ltd.)	6,392	2.12	
USD5,803,000 Nebius Group NV 2.75% 15/09/2032 (Nebius Group NV)	6,017	2.00	
USD3,590,000 Nova Ltd. 0% 15/09/2030 (Nova Ltd.)	6,146	2.04	
USD4,263,000 Nutanix, Inc. 0.25% 01/10/2027 (Nutanix, Inc.)	4,388	1.45	
USD2,388,000 Nutanix, Inc. 0.5% 15/12/2029 (Nutanix, Inc.)	2,173	0.72	
USD3,600,000 Ping An Insurance Group Co. of China Ltd. 0.875% 22/07/2029 (Ping An Insurance Group Co. of China Ltd.)	6,469	2.15	
USD3,169,000 Rexford Industrial Realty LP 4.125% 15/03/2029 (Rexford Industrial Realty, Inc.)	3,173	1.05	
USD6,019,000 Rivian Automotive, Inc. 3.625% 15/10/2030 (Rivian Automotive, Inc.)	5,774	1.91	
USD2,846,000 Shift4 Payments, Inc. 0.5% 01/08/2027 (Shift4 Payments, Inc.)	2,753	0.91	
USD200,000 SK Hynix, Inc. 1.75% 11/04/2030 (SK Hynix, Inc.)	1,519	0.50	
USD2,175,000 Spirit AeroSystems, Inc. 3.25% 01/11/2028 (Spirit AeroSystems, Inc.)	3,654	1.21	
USD953,000 Travers Therapeutics, Inc. 2.25% 01/03/2029 (Travers Therapeutics, Inc.)	1,253	0.42	
USD2,538,000 Trip.com Group Ltd. 1.5% 01/07/2027 (H World Group Ltd.)	3,480	1.15	
USD6,768,000 Uber Technologies, Inc. 0.875% 01/12/2028 (Uber Technologies, Inc.)	8,779	2.91	
USD2,222,000 Vertex, Inc. 0.75% 01/05/2029 (Vertex, Inc.)	2,090	0.69	
USD2,472,000 Xero Investments Ltd. 1.625% 12/06/2031 (Xero Ltd.)	2,345	0.78	
USD3,900,000 Xiaomi Best Time International Ltd. 0% 17/12/2027 (Xiaomi Corp.)	4,358	1.45	

Portfolio statement

Investments (continued)

Holding ^a	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Derivatives	29	0.01	0.00
Forwards for share class hedging	27	0.01	0.00
Bought GBP17,061 for AUD34,372 Settlement 04/02/2026	(1)	0.00	
Bought GBP112,988 for EUR130,115 Settlement 04/02/2026	0	0.00	
Bought GBP22,536 for HKD236,156 Settlement 04/02/2026	1	0.00	
Bought GBP22,850 for JPY4,806,903 Settlement 04/02/2026	0	0.00	
Bought GBP823,067 for USD1,107,489 Settlement 04/02/2026	27	0.01	
Bought HKD6,552 for GBP628 Settlement 04/02/2026	0	0.00	
Options	2	0.00	0.00
33,900 Pysmian SpA 70 PUT option Mar 2026	2	0.00	
Total portfolio	302,264	100.26	99.38
Net other assets/(liabilities)	(774)	(0.26)	0.62
Net assets attributable to shareholders	301,490	100.00	100.00

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

The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

^a The underlying stock for each convertible bond is shown in brackets.

^b M&G's Valuation Sub Committee are valuing these securities at \$nil.

Portfolio statement

Top ten portfolio transactions for the year to 31 January 2026

Largest purchases	\$'000
Coinbase Global, Inc. 0% 01/10/2032 (Coinbase Global, Inc.)	11,006
CyberArk Software Ltd. 0% 15/06/2030 (CyberArk Software Ltd.)	8,993
Alibaba Group Holding Ltd. 0.5% 01/06/2031 (Alibaba Group Holding Ltd.)	8,838
Halozyme Therapeutics, Inc. 0.25% 01/03/2027 (Halozyme Therapeutics, Inc.)	7,998
Goldman Sachs Finance Corp. International Ltd. 0% 29/01/2029 (Samsung Electronics Co. Ltd.)	7,519
Goldman Sachs Finance Corp. International Ltd. 0% 04/04/2028 (Samsung Electronics Co. Ltd.)	7,056
Nebius Group NV 2.75% 15/09/2032 (Nebius Group NV)	6,889
Seagate Technology Holdings PLC	6,726
Grab Holdings Ltd. 0% 15/06/2030 (Grab Holdings Ltd.)	6,127
Alibaba Group Holding Ltd. 0% 15/09/2032 (Alibaba Group Holding Ltd.)	5,870
Other purchases	116,968
Total purchases	193,990

Largest sales	\$'000
Seagate HDD Cayman 3.5% 01/06/2028 (Seagate Technology Holdings PLC)	21,335
Coinbase Global, Inc. 0.25% 01/04/2030 (Coinbase Global, Inc.)	13,924
Goldman Sachs Finance Corp. International Ltd. 0% 04/04/2028 (Samsung Electronics Co. Ltd.)	10,741
JPMorgan Chase Financial Co. LLC 0% 29/04/2025 (Deutsche Telekom AG)	9,719
Jazz Investments I Ltd. 2% 15/06/2026 (Jazz Pharmaceuticals PLC)	7,215
Halozyme Therapeutics, Inc. 1% 15/08/2028 (Halozyme Therapeutics, Inc.)	7,133
ZTO Express Cayman, Inc. 1.5% 01/09/2027 (ZTO Express Cayman, Inc.)	6,249
JD.com, Inc. 0.25% 01/06/2029 (JD.com, Inc.)	6,095
Nebius Group NV 2% 05/06/2029 (Nebius Group NV)	6,025
Cellnex Telecom SA 0.5% 05/07/2028 (Cellnex Telecom SA)	5,105
Other sales	144,871
Total sales	238,412

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 and shown as net of operating charge. 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	+10.6	+7.5	+3.2	+5.5
Class 'A' Accumulation	+10.6	+7.5	+3.2	+5.5
Class 'A-H' Accumulation	+20.2	+11.1	+3.7	+4.5
Class 'I' Income	+11.0	+7.9	+3.7	+6.1
Class 'I' Accumulation	+11.0	+7.9	+3.6	+6.0
Class 'I-H' Accumulation	+20.5	+11.8	+4.3	+5.1
Class 'PP' Income	+11.2	+8.1	+3.8	n/a
Class 'PP' Accumulation	+11.2	+8.1	+3.8	n/a
Class 'R' Income	+10.7	+7.6	+3.4	+5.8
Class 'R' Accumulation	+10.8	+7.6	+3.3	+5.8
Class 'R-H' Accumulation	+20.3	+11.3	+3.9	+4.9
Benchmark unhedged	+4.3	+5.1	+1.2	+5.4
Benchmark hedged	+13.5	+9.5	+2.4	+5.0

^a Not annualised.

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 period 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 13 July 2007.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	170.19	155.90	164.99
Return before operating charges*	20.20	23.28	(0.29)
Operating charges	(2.17)	(2.06)	(2.02)
Return after operating charges*	18.03	21.22	(2.31)
Distributions	(7.15)	(6.93)	(6.78)
Closing NAV	181.07	170.19	155.90
*after direct transaction cost of	0.00	0.01	0.00
Performance			
Return after charges (%)	10.59	13.61	(1.40)
Other information			
Closing NAV (\$'000)	249,687	232,098	181,701
Number of shares	100,074,108	109,889,927	91,868,025
Operating charges (%)	1.25	1.25	1.25
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	190.26	178.37	171.61
Lowest share price (UK p)	154.93	154.86	156.14

Sterling Class 'A' Accumulation shares

The share class was launched on 13 July 2007.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	256.40	225.67	228.92
Return before operating charges*	30.46	33.70	(0.45)
Operating charges	(3.25)	(2.97)	(2.80)
Return after operating charges*	27.21	30.73	(3.25)
Distributions	(7.63)	(6.96)	(6.66)
Retained distributions	7.63	6.96	6.66
Closing NAV	283.61	256.40	225.67
*after direct transaction cost of	0.00	0.01	0.01
Performance			
Return after charges (%)	10.61	13.62	(1.42)
Other information			
Closing NAV (\$'000)	1,130	1,273	1,596
Number of shares	289,162	400,050	557,616
Operating charges (%)	1.25	1.25	1.25
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	286.67	258.21	238.03
Lowest share price (UK p)	233.45	224.18	216.58

Financial highlights

Sterling Class 'A-H' Accumulation shares

The share class was launched on 28 September 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	153.52	136.90	134.88
Return before operating charges*	33.14	18.46	3.72
Operating charges	(2.11)	(1.84)	(1.70)
Return after operating charges*	31.03	16.62	2.02
Distributions	(4.85)	(4.11)	(3.98)
Retained distributions	4.85	4.11	3.98
Closing NAV	184.55	153.52	136.90
*after direct transaction cost of	0.00	0.01	0.00
Performance			
Return after charges (%)	20.21	12.14	1.50
Other information			
Closing NAV (\$'000)	15	12	27
Number of shares	6,000	6,000	15,841
Operating charges (%)	1.28	1.28	1.28
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	185.71	153.84	138.33
Lowest share price (UK p)	144.13	136.10	127.76

Financial highlights

Sterling Class 'I' Income shares

The share class was launched on 3 August 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	1,456.98	1,329.32	1,400.97
Return before operating charges*	173.47	198.85	(2.27)
Operating charges	(12.64)	(11.94)	(11.65)
Return after operating charges*	160.83	186.91	(13.92)
Distributions	(61.36)	(59.25)	(57.73)
Closing NAV	1,556.45	1,456.98	1,329.32
*after direct transaction cost of	0.02	0.06	0.04
Performance			
Return after charges (%)	11.04	14.06	(0.99)
Other information			
Closing NAV (\$'000)	4,204	3,933	4,944
Number of shares	196,023	217,502	293,163
Operating charges (%)	0.85	0.85	0.85
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	1,635.05	1,526.76	1,457.32
Lowest share price (UK p)	1,327.59	1,320.42	1,328.77

Sterling Class 'I' Accumulation shares

The share class was launched on 13 July 2007.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	283.06	248.13	250.71
Return before operating charges*	33.73	37.16	(0.49)
Operating charges	(2.45)	(2.23)	(2.09)
Return after operating charges*	31.28	34.93	(2.58)
Distributions	(9.55)	(8.75)	(8.27)
Retained distributions	9.55	8.75	8.27
Closing NAV	314.34	283.06	248.13
*after direct transaction cost of	0.00	0.01	0.01
Performance			
Return after charges (%)	11.05	14.08	(1.03)
Other information			
Closing NAV (\$'000)	43,162	44,392	41,976
Number of shares	9,964,848	12,637,057	13,335,117
Operating charges (%)	0.85	0.85	0.85
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	317.69	285.02	260.70
Lowest share price (UK p)	257.95	246.50	237.71

Financial highlights

Sterling Class 'I-H' Accumulation shares

The share class was launched on 28 September 2012.

for the year to 31 January	2026	2025	2024
Change in NAV per share	UK p	UK p	UK p
Opening NAV	165.83	147.11	143.23
Return before operating charges*	35.57	20.09	5.15
Operating charges	(1.57)	(1.37)	(1.27)
Return after operating charges*	34.00	18.72	3.88
Distributions	(5.96)	(5.07)	(4.85)
Retained distributions	5.96	5.07	4.85
Closing NAV	199.83	165.83	147.11
*after direct transaction cost of	0.00	0.01	0.00
Performance			
Return after charges (%)	20.50	12.73	2.71
Other information			
Closing NAV (\$'000)	1,388	1,205	1,432
Number of shares	504,173	585,633	767,149
Operating charges (%)	0.88	0.88	0.88
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	201.08	166.17	147.56
Lowest share price (UK p)	155.85	146.26	137.16

Financial highlights

Sterling Class 'PP' Income shares

The share class was launched on 5 August 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	98.25	89.51	94.18
Return before operating charges*	11.70	13.39	(0.14)
Operating charges	(0.70)	(0.66)	(0.65)
Return after operating charges*	11.00	12.73	(0.79)
Distributions	(4.14)	(3.99)	(3.88)
Closing NAV	105.11	98.25	89.51
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	11.20	14.22	(0.84)
Other information			
Closing NAV (\$'000)	1,103	1,447	996
Number of shares	761,485	1,187,043	877,566
Operating charges (%)	0.70	0.70	0.70
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	110.41	102.94	97.98
Lowest share price (UK p)	89.55	88.91	89.40

Sterling Class 'PP' Accumulation shares

The share class was launched on 8 April 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	132.08	115.61	116.63
Return before operating charges*	15.77	17.33	(0.22)
Operating charges	(0.95)	(0.86)	(0.80)
Return after operating charges*	14.82	16.47	(1.02)
Distributions	(4.66)	(4.27)	(4.02)
Retained distributions	4.66	4.27	4.02
Closing NAV	146.90	132.08	115.61
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	11.22	14.25	(0.87)
Other information			
Closing NAV (\$'000)	290	242	227
Number of shares	143,325	147,585	155,000
Operating charges (%)	0.70	0.70	0.70
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	148.45	132.99	121.29
Lowest share price (UK p)	120.40	114.85	110.67

Financial highlights

Sterling Class 'R' Income shares

The share class was launched on 3 August 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	142.59	130.43	137.80
Return before operating charges*	16.96	19.47	(0.22)
Operating charges	(1.61)	(1.51)	(1.48)
Return after operating charges*	15.35	17.96	(1.70)
Distributions	(6.00)	(5.80)	(5.67)
Closing NAV	151.94	142.59	130.43
*after direct transaction cost of	0.00	0.01	0.00
Performance			
Return after charges (%)	10.77	13.77	(1.23)
Other information			
Closing NAV (\$'000)	153	106	128
Number of shares	73,154	59,909	77,269
Operating charges (%)	1.10	1.10	1.10
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	159.63	149.43	143.34
Lowest share price (UK p)	129.85	129.55	130.53

Sterling Class 'R' Accumulation shares

The share class was launched on 3 August 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	198.75	174.66	176.91
Return before operating charges*	23.65	26.12	(0.34)
Operating charges	(2.23)	(2.03)	(1.91)
Return after operating charges*	21.42	24.09	(2.25)
Distributions	(6.21)	(5.68)	(5.40)
Retained distributions	6.21	5.68	5.40
Closing NAV	220.17	198.75	174.66
*after direct transaction cost of	0.00	0.01	0.01
Performance			
Return after charges (%)	10.78	13.79	(1.27)
Other information			
Closing NAV (\$'000)	326	267	337
Number of shares	107,337	108,249	152,057
Operating charges (%)	1.10	1.10	1.10
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	222.53	200.14	183.96
Lowest share price (UK p)	181.02	173.51	167.51

Financial highlights

Sterling Class 'R-H' Accumulation shares

The share class was launched on 28 September 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	161.63	143.81	141.19
Return before operating charges*	34.73	19.53	4.21
Operating charges	(1.97)	(1.71)	(1.59)
Return after operating charges*	32.76	17.82	2.62
Distributions	(5.37)	(4.57)	(4.40)
Retained distributions	5.37	4.57	4.40
Closing NAV	194.39	161.63	143.81
*after direct transaction cost of	0.00	0.01	0.00
Performance			
Return after charges (%)	20.27	12.39	1.86
Other information			
Closing NAV (\$'000)	32	23	49
Number of shares	11,755	11,528	26,729
Operating charges (%)	1.13	1.13	1.13
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	195.61	161.96	144.80
Lowest share price (UK p)	151.77	142.98	134.15

Financial statements and notes

Financial statements

Statement of total return

for the year to 31 January	Note	2026		2025	
		\$'000	\$'000	\$'000	\$'000
Income					
Net capital gains/(losses)	3		53,872		20,313
Revenue	5	13,085		10,874	
Expenses	6	(3,596)		(3,127)	
Interest payable and similar charges		0		0	
Net revenue/(expense) before taxation		9,489		7,747	
Taxation	7	(31)		(4)	
Net revenue/(expense) after taxation			9,458		7,743
Total return before distributions			63,330		28,056
Distributions	8		(12,629)		(10,461)
Change in net assets attributable to shareholders from investment activities			50,701		17,595

Statement of change in net assets attributable to shareholders

for the year to 31 January	2026		2025	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		284,998		233,413
Amounts received on issue of shares	5,377		41,488	
Amounts paid on cancellation of shares	(41,073)		(9,071)	
		(35,696)		32,417
Dilution adjustments		84		112
Change in net assets attributable to shareholders from investment activities (see above)		50,701		17,595
Retained distributions on Accumulation shares		1,403		1,461
Closing net assets attributable to shareholders		301,490		284,998

Financial statements and notes

Financial statements

Balance sheet

as at 31 January	Note	2026 \$'000	2025 \$'000
Assets			
Fixed assets			
Investments		302,265	283,228
Current assets			
Debtors	9	1,118	16,298
Cash and bank balances	10	1,972	684
Cash equivalents		6,802	2,291
Total assets		312,157	302,501
Liabilities			
Investment liabilities		(1)	(11)
Creditors			
Distribution payable		(10,079)	(9,680)
Other creditors	11	(587)	(7,812)
Total liabilities		(10,667)	(17,503)
Net assets attributable to shareholders		301,490	284,998

Financial statements and notes

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with the 'Summary of significant accounting policies' set out on pages 9 to 12.

2 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.

3 Net capital gains/(losses)

for the year to 31 January	2026 \$'000	2025 \$'000
Non-derivative securities	54,635	20,275
Derivative contracts	(323)	(2)
Currency gains/(losses)	(440)	40
Net capital gains/(losses)	53,872	20,313

Financial statements and notes

4 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' within 'Notes to the financial statements' on pages 11 and 12. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year to 31 January	2026 \$'000	% of transaction	2025 \$'000	% of transaction
a) Purchases				
Equities				
Equities before transaction costs	9,660		6,493	
Commissions	2	0.02	2	0.03
Taxes and other fees	0	0.00	7	0.11
Equities after transaction costs	9,662		6,502	
Debt securities	184,328		155,484	
Total purchases after transaction costs	193,990		161,986	
b) Sales				
Equities				
Equities before transaction costs	2,018		2,930	
Commissions	0	0.00	(1)	0.02
Taxes and other fees	0	0.00	(1)	0.02
Equities after transaction costs	2,018		2,928	
Debt securities	236,394		137,703	
Total sales after transaction costs	238,412		140,631	
	2026 \$'000	% of average NAV	2025 \$'000	% of average NAV
c) Direct portfolio transaction costs				
Commissions paid				
Equities	2	0.00	3	0.00
Taxes and other fees paid				
Equities	0	0.00	8	0.00
Total direct portfolio transaction costs	2	0.00	11	0.00
		%		%
d) Indirect portfolio transaction costs				
Average portfolio dealing spread as at the balance sheet date		0.42		0.43

Financial statements and notes

5 Revenue

for the year to 31 January	2026 \$'000	2025 \$'000
Bank interest	6	9
Dividends from equity investments: non-taxable	190	29
Dividends from equity investments: taxable	44	31
Interest distributions	360	244
Interest on debt securities	12,477	10,558
Rebate of ongoing charges from underlying funds	7	4
Share class hedging revenue	1	(1)
Total revenue	13,085	10,874

6 Expenses

for the year to 31 January	2026 \$'000	2025 \$'000
Payable to the ACD or associate		
Annual charge	3,596	3,127
Total expenses	3,596	3,127

Audit fees for the financial year ending 2026 were £14,000 (2025: £14,000) (including VAT), which are covered by the annual charge.

Financial statements and notes

7 Taxation

for the year to 31 January	2026 \$'000	2025 \$'000
a) Analysis of charge in the year		
Corporation tax	0	0
Withholding tax	31	4
Deferred tax (note 7c)	0	0
Total taxation	31	4
b) Factors affecting taxation charge for the year		
Net revenue/(expense) before taxation	9,489	7,747
Corporation tax at 20%	1,898	1,549
Effects of:		
Revenue: non-taxable	(38)	(6)
Interest distributions	(1,860)	(1,543)
Withholding tax	31	4
Total tax charge (note 7a)	31	4
c) Provision for deferred taxation		
Provision at the start of the year	0	0
Deferred tax in profit and loss account (note 7a)	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 (2025: same).

8 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 January	2026		2025	
	Inc \$'000	Acc \$'000	Inc \$'000	Acc \$'000
Interest distributions				
Final	10,079	1,403	9,680	1,461
Total net distributions		11,482		11,141
Income deducted on cancellation of shares		1,226		183
Income received on issue of shares		(79)		(863)
Distributions		12,629		10,461
Net revenue/(expense) per statement of total return		9,458		7,743
Expenses offset against capital		3,171		2,718
Distributions		12,629		10,461

Financial statements and notes

9 Debtors

as at 31 January	2026 \$'000	2025 \$'000
Amounts receivable on issues of shares	3	7,471
Currency deals outstanding	27	7,457
Debt security interest receivable	771	1,106
Distributions receivable	34	15
Withholding tax recoverable	283	249
Total debtors	1,118	16,298

10 Cash and bank balances

as at 31 January	2026 \$'000	2025 \$'000
Cash held as bank balances	1,972	684
Total cash and bank balances	1,972	684

11 Other creditors

as at 31 January	2026 \$'000	2025 \$'000
Amounts payable on cancellation of shares	298	122
Annual charge payable	110	102
Currency deals outstanding	27	7,454
Payable to M&G (Lux) Global Convertibles Fund	152	134
Total other creditors	587	7,812

12 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2025: same).

Financial statements and notes

13 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 14.

Share class	Opening 01.02.25	Issued	Movements Cancelled	Converted	Closing 31.01.26
Sterling					
Class 'A' Income	109,889,927	5,221	(9,821,040)	0	100,074,108
Class 'A' Accumulation	400,050	5,750	(116,638)	0	289,162
Class 'A-H' Accumulation	6,000	0	0	0	6,000
Class 'I' Income	217,502	38,171	(59,650)	0	196,023
Class 'I' Accumulation	12,637,057	1,088,682	(3,760,891)	0	9,964,848
Class 'I-H' Accumulation	585,633	113,868	(195,328)	0	504,173
Class 'PP' Income	1,187,043	137,383	(562,941)	0	761,485
Class 'PP' Accumulation	147,585	3,444	(7,704)	0	143,325
Class 'R' Income	59,909	20,453	(7,208)	0	73,154
Class 'R' Accumulation	108,249	1,608	(2,520)	0	107,337
Class 'R-H' Accumulation	11,528	647	(420)	0	11,755

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.

14 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'	1.25
Class 'A-H'	1.28
Class 'I'	0.85
Class 'I-H'	0.88
Class 'PP'	0.70
Class 'R'	1.10
Class 'R-H'	1.13

Financial statements and notes

15 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 8. Amounts due to/from M&G Securities Limited in respect of share transactions at the year end are disclosed in notes 9 and 11 where applicable.

Amounts paid to M&G Securities Limited in respect of the annual charge are disclosed in note 6. Amounts due at the year end in respect of the annual charge are disclosed in note 11.

Amounts payable to funds within the M&G Group are disclosed within note 11.

Amounts paid to M&G Securities Limited in respect of rebate arrangements for the annual charge are disclosed in notes 3 and 5. Amounts due at the year end from the ACD, and/or associate, in respect of these rebates are disclosed in note 9.

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 93.68% (2025: 91.30%) of the fund's shares.

16 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.

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 January	Assets 2026 \$'000	Liabilities 2026 \$'000	Assets 2025 \$'000	Liabilities 2025 \$'000
Basis of valuation				
Level 1	25,331	0	8,313	0
Level 2	276,934	(1)	274,915	(11)
Level 3	0	0	0	0
	302,265	(1)	283,228	(11)

17 Risk management policies

The general risk management policies for the fund are set out in note 3 to the financial statements on pages 12 to 15.

Financial statements and notes

18 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 January 2026 was 200% (2025: 200%).

The lowest, highest and average utilisation of VaR with reference to the limit above, are calculated during the financial years ended 31 January 2026 and 31 January 2025.

for the year to 31 January	2026 Utilisation of VaR 200%	2025 Utilisation of VaR 200%
Lowest	48.50	41.63
Highest	71.23	60.86
Average	59.47	53.40

19 Credit risk

The fund is exposed to credit risk through derivative positions with counterparties. 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 January	2026 \$'000	2025 \$'000
Investment grade securities	72,551	70,773
Below investment grade securities	5,883	36,442
Unrated securities	198,472	167,700
Other investments	25,358	8,302
Total	302,264	283,217

The credit ratings are provided by S&P, followed by Moody's, and finally Fitch.

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 January 2026	Forwards \$'000	Options \$'000
Bank of America Merrill Lynch	0	2
State Street Bank	27	0
Total	27	2

as at 31 January 2025	Forwards \$'000
State Street Bank	(11)
Total	(11)

Financial statements and notes

20 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 January 2026 and 31 January 2025 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 January	2026 \$'000	2026 %	2025 \$'000	2025 %
Lowest	186,785	83.29	177,502	91.08
Highest	246,688	100.47	218,854	101.99
Average	213,288	92.81	196,873	94.31

21 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 31.

22 Interest distribution tables

This fund pays annual interest distributions and the following table sets out the distribution period.

Annual distribution period

	Start	End	Xd	Payment
Final	01.02.25	31.01.26	02.02.26	31.03.26

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 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.

Financial statements and notes

Sterling Class 'A' Income shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	5.7104	1.4425	7.1529	6.9346

Sterling Class 'A' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	4.9062	2.7195	7.6257	6.9596

Sterling Class 'A-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	4.8511	0.0000	4.8511	4.1108

Sterling Class 'I' Income shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	29.9484	31.4120	61.3604	59.2451

Sterling Class 'I' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	5.7459	3.8045	9.5504	8.7527

Sterling Class 'I-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	3.1312	2.8247	5.9559	5.0724

Financial statements and notes

Sterling Class 'PP' Income shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	2.3230	1.8177	4.1407	3.9919

Sterling Class 'PP' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	0.8868	3.7689	4.6557	4.2707

Sterling Class 'R' Income shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	1.8327	4.1668	5.9995	5.8033

Sterling Class 'R' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	2.4239	3.7857	6.2096	5.6768

Sterling Class 'R-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	2.4032	2.9641	5.3673	4.5706

23 Events after the balance sheet date

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

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 April 2025 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 that of the Bloomberg Global Aggregate Corporate Index (GBP Hedged) over any five-year period.

Investment policy

At least 80% of the fund is invested directly in investment grade corporate bonds including investment grade asset-backed securities. These securities may be issued by companies that are domiciled in any country, including emerging markets.

The investment grade corporate bonds may be denominated in any currency and currency exposure is typically hedged back to GBP.

The fund may also invest in:

- below investment grade corporate bonds;
- bonds issued or guaranteed by governments and their agencies, public authorities, quasi-sovereigns and supranational bodies;
- below investment grade asset-backed securities; and
- other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

The fund may invest in unrated debt securities, and the fund manager's opinion of the credit rating shall be used for the purposes of the above tests.

Investments in asset-backed securities are limited to 20% of the fund. Investments in contingent convertible debt securities are limited to 20% of the fund.

Derivatives (including total return swaps) may be used for investment purposes, efficient portfolio management and hedging.

Investment approach

The fund is globally diversified and seeks to provide exposure to a broad range of issuers across a variety of sectors.

The fund manager has the flexibility to adjust the fund's credit exposure, sector positioning and regional allocations based on the assessment of current market valuations and the macroeconomic environment.

Individual credit selection based on bottom-up analysis of the global corporate bond market by in-house credit analysts complements the fund managers' views.

Benchmark

Bloomberg Global Aggregate Corporate Index (GBP Hedged)

This 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. This benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

The fund is actively managed and within the given constraints the fund manager has freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents.

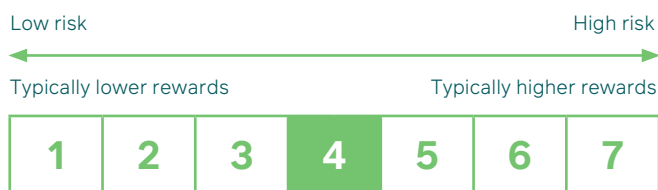
For each share class the benchmark will be denominated or hedged into the relevant share class currency. The benchmark for each share class will be shown in its respective KIID.

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 12 to 15.

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 to 31 January 2026

Performance against objective

Over the 12 months ending 31 January 2026, the M&G Global Corporate Bond Fund delivered positive total returns (the combination of capital growth and income) across all its sterling share classes. Fund performance lagged its benchmark, the Bloomberg Global Aggregate Corporate Index (GBP Hedged) which returned 6.8% over the period.

The fund was launched on 19 January 2024, so it is too early to say whether it has met its objective of outperforming the benchmark over a five-year period.

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

Market review and fund performance drivers

Global government bonds experienced mixed performance over the period, with regional divergence in yields reflecting varying inflation paths, central-bank actions, and geopolitical risks. US Treasuries yields fluctuated but ended the period lower year-on-year, supported by expectations of the Federal Reserve (Fed) easing after a volatile 2025. The US 10-year yield had dropped to 4.2% by the end of January 2026 from 4.5% at the end of January 2025.

In contrast, yields on German, French and Spanish government bonds were all up over the 12 months as governments had to pay more to attract investors. These moves reflected lingering inflation risks, fiscal loosening, and intermittent political tensions. The 10-year gilt yield was 4.5% as at the end of January 2026, the same level as 12 months earlier.

Corporate bonds outperformed government bonds over the full period, supported by resilient earnings, strong demand for yield, and narrowing spreads. Investment grade (high quality) corporate bonds benefited from declining inflation and expectations of rate cuts during 2025.

By January 2026, the extra yield or spread offered by US dollar investment grade bonds tightened to multi-decade lows, reaching levels last seen in the late 1990s. This means companies are paying less for funding.

Our yield curve positioning was the primary driver of the fund's performance over the period. Security selection also contributed positively to performance relative to the benchmark, with holdings in consumer goods, retail and media sectors providing support. Bonds from UK retailer Tesco, financial vehicle Foundry, Visa (financials) and Ford Motor (motor vehicles) were the main individual contributors to relative performance. Conversely, holdings in banking, real estate and healthcare sectors were the main detractors. At an individual security level, in relative terms, bonds from international transport firm Mobico (no longer held), financial services company Worldline and banking group HSBC (no longer held) were the key detractors.

Authorised Corporate Director's Report

Fund positioning

The fund holds around 70% in investment grade corporate bonds and 15% in government bonds. We continue to gradually move into higher quality corporate bonds and the fund now holds less than half the BBB-rated corporate bond weight that is held by the benchmark (bond ratings indicate creditworthiness; with AAA being the highest rating).

In terms of government bonds, we still prefer UK gilts overall as we expect inflation to fall and the economy to cool, but we are mindful of political risks. We have moved most of our US government bond holdings into inflation-linked bonds (Treasury Inflation-Protected Securities (TIPS)) as these typically offer better returns to investors than traditional bonds during inflationary periods.

We also began building a small position in Australian government bonds, which currently offer an attractive yield premium over US nominal Treasuries.

Overall, the fund remains moderately long duration, a quarter of a year longer than the benchmark, meaning the average maturity of bonds held is longer. We keep a small short position in very long-dated bonds and prefer those with 15-25 year maturities.

Investment activities

Over the review period, the fund maintained a defensive stance, prioritising high-quality credit and cautious duration management, given the tightness of credit spreads. Duration is a measure of the sensitivity of a bond or a bond fund to changes in the interest rates. The longer a bond fund or bond's duration, the more sensitive it is to interest rate movements. Credit spreads measure the difference between the yield of a corporate bond and a government bond of the same maturity.

The fund consistently favoured conservative, high-quality financial debt instruments designed to provide stability in volatile markets, such as senior preferred bonds, covered bonds, and guaranteed investment certificates (GICs).

New issues were selectively added where we saw good value, whilst maintaining a disciplined approach around pricing. These names included Meta, Metropolitan Life Global Funding (MetLife), Microsoft, Apple, Coca-Cola, Colgate-Palmolive and Alphabet. Lower-quality holdings that offered limited additional compensation for credit risk included HCA and Harbour, along with holdings such as ZFF and Warnermedia (which are no longer held), as well as Greek and Icelandic banks were among those sold.

Outlook

We remain focused on investing in bonds from high-quality companies because their financial strength still looks solid.

Since bond spreads are already quite tight compared with history, we believe it's especially important to be selective. We prefer companies with strong balance sheets and steady, reliable cashflows. We only find new bond issues attractive when they offer a genuinely worthwhile premium, and we take part when it makes sense.

Overall, we're staying careful about taking on too much credit risk, while still finding good opportunities in high-quality corporate bonds that provide steady income and defensive qualities.

Ben Lord and Mario Eisenegger

Co-fund managers

Employees of M&G FA Limited which is an associate of M&G Securities Limited.

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 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income	242,257	95.71	95.44
Australian dollar denominated bonds	1,610	0.64	0.45
Government bonds	1,610	0.64	0.45
AUD3,300,000 Australia Government Bonds 4.25% 21/12/2035	1,610	0.64	
Canadian dollar denominated bonds	531	0.21	0.23
Government bonds	531	0.21	0.23
CAD1,420,000 Canada Government Bonds 2% 01/12/2051	531	0.21	
Euro denominated bonds	95,608	37.77	30.14
Corporate bonds	94,105	37.18	29.12
EUR777,000 Aareal Bank AG 3% 01/02/2033	672	0.27	
EUR500,000 Achmea Bank NV 2.75% 15/09/2032	429	0.17	
EUR1,400,000 Achmea Bank NV 2.875% 02/12/2033	1,201	0.47	
EUR500,000 Aena SME SA 4.25% 13/10/2030	457	0.18	
EUR200,000 Air Liquide Finance SA 3.375% 29/05/2034	174	0.07	
EUR338,000 Alphabet, Inc. 3.875% 06/05/2045	279	0.11	
EUR360,000 Alphabet, Inc. 4% 06/05/2054	290	0.11	
EUR731,000 Alphabet, Inc. 4.375% 06/11/2064	601	0.24	
EUR200,000 America Movil BV 3% 30/09/2030	173	0.07	
EUR208,000 Arion Banki Hf. 3.5% 02/09/2031	179	0.07	
EUR236,000 Arion Banki Hf. 4.625% 21/11/2028	214	0.08	
EUR600,000 Atlas Copco Finance DAC 0.75% 08/02/2032	453	0.18	
EUR385,000 Australia Pacific Airports Melbourne Pty. Ltd. 4% 07/06/2034	342	0.14	
EUR117,000 Avery Dennison Corp. 4% 11/09/2035	102	0.04	
EUR640,000 Avinor AS 3.5% 29/05/2034	554	0.22	
EUR225,000 AXA Logistics Europe Master SCA 3.375% 13/05/2031	195	0.08	
EUR500,000 Banca Comerciala Romana SA Var 4% 25/11/2031	434	0.17	
EUR200,000 Banco BPI SA 3.25% 22/03/2030	177	0.07	
EUR700,000 Banco de Sabadell SA 3.25% 05/06/2034	611	0.24	
EUR900,000 Banco Santander SA 2.875% 14/07/2033	772	0.31	
EUR200,000 Banco Santander SA 3.125% 28/05/2029	177	0.07	
EUR500,000 Banco Santander Totta SA 2.625% 19/02/2030	433	0.17	
EUR700,000 Banco Santander Totta SA 3.25% 15/02/2031	619	0.24	
EUR882,000 Bank of America Corp. Var 3.261% 28/01/2031	770	0.30	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR193,000 Bank of Ireland Group PLC Var 3.625% 19/05/2032	170	0.07	
EUR635,000 Bank of New Zealand 3.05% 20/11/2030	550	0.22	
EUR271,000 Bank Polska Kasa Opieki SA Var 3.5% 23/09/2032	235	0.09	
EUR600,000 Banque Federative du Credit Mutuel SA 3.125% 11/03/2031	519	0.21	
EUR204,000 Barclays PLC Var 4.616% 26/03/2037	183	0.07	
EUR800,000 Belfius Bank SA 3.125% 30/01/2031	694	0.27	
EUR650,000 Berkshire Hathaway Finance Corp. 2% 18/03/2034	511	0.20	
EUR807,000 BMS Ireland Capital Funding DAC 4.581% 10/11/2055	683	0.27	
EUR1,500,000 BMW Finance NV 3.25% 27/01/2032	1,302	0.51	
EUR900,000 BNP Paribas SA 4.125% 24/05/2033	818	0.32	
EUR652,000 Booking Holdings, Inc. 4.125% 09/05/2038	567	0.22	
EUR600,000 BP Capital Markets BV 3.36% 12/09/2031	526	0.21	
EUR300,000 BPCE SA Var 3.375% 19/12/2031	260	0.10	
EUR2,200,000 BPCE SFH SA 3% 20/02/2029	1,934	0.76	
EUR800,000 BPCE SFH SA 3.125% 22/05/2034	689	0.27	
EUR378,000 British Telecommunications PLC 3.75% 03/01/2035	327	0.13	
EUR1,400,000 Caisse de Refinancement de l'Habitat SA 2.75% 20/02/2032	1,201	0.47	
EUR600,000 CaixaBank SA 3.375% 26/06/2035	515	0.20	
EUR240,000 Caterpillar Financial Services Corp. 3.023% 03/09/2027	210	0.08	
EUR800,000 Ceska sporitelna AS Var 4.824% 15/01/2030	723	0.29	
EUR750,000 Chubb INA Holdings LLC 1.4% 15/06/2031	597	0.24	
EUR800,000 Cie de Financement Foncier SA 2.75% 10/03/2031	690	0.27	
EUR224,000 Coca-Cola Europacific Partners PLC 3.25% 21/03/2032	195	0.08	
EUR450,000 Colgate-Palmolive Co. 3.25% 10/11/2035	382	0.15	
EUR940,000 Commerzbank AG 3% 13/03/2034	815	0.32	
EUR1,400,000 Commonwealth Bank of Australia 2.855% 26/02/2032	1,208	0.48	
EUR1,250,000 Compass Group PLC 3.25% 16/09/2033	1,073	0.42	
EUR2,000,000 Cooperatieve Rabobank UA 0.125% 01/12/2031	1,491	0.59	
EUR800,000 Coventry Building Society 2.625% 01/10/2029	691	0.27	
EUR700,000 Credit Agricole Home Loan SFH SA 3% 01/12/2030	613	0.24	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR1,500,000	Credit Agricole Home Loan SFH SA 3% 11/12/2032	1,297	0.51
EUR400,000	Credit Agricole SA 3.125% 26/02/2032	345	0.14
EUR1,300,000	Credit Agricole SA 4.125% 07/03/2030	1,183	0.47
EUR300,000	Daimler Truck International Finance BV 3% 27/11/2029	261	0.10
EUR1,100,000	Danske Bank AS Var 4.125% 10/01/2031	995	0.39
EUR880,000	Danske Kiinnitysluottopankki OYJ 2.75% 17/11/2032	755	0.30
EUR400,000	DCC Group Finance Ireland DAC 4.375% 27/06/2031	357	0.14
EUR556,000	Deutsche Post AG 3.75% 25/11/2037	481	0.19
EUR200,000	Digital Dutch Finco BV 3.875% 15/07/2034	171	0.07
EUR1,100,000	DNB Bank ASA Var 3% 29/11/2030	955	0.38
EUR385,000	DNB Bank ASA Var 3% 20/01/2032	334	0.13
EUR1,350,000	DNB Bank ASA Var 4% 14/03/2029	1,204	0.48
EUR950,000	DNB Boligkreditt AS 2.625% 27/09/2029	826	0.33
EUR344,000	Dover Corp. 3.5% 12/11/2033	296	0.12
EUR286,000	DSM BV 3.625% 02/07/2034	249	0.10
EUR166,000	Ellevio AB 3.75% 14/05/2035	143	0.06
EUR100,000	Equinix Europe 2 Financing Corp. LLC 3.65% 03/09/2033	86	0.03
EUR100,000	Equinix Europe 2 Financing Corp. LLC 4% 19/05/2034	87	0.03
EUR400,000	Erste Bank Hungary Zrt Var 3.375% 29/01/2031	346	0.14
EUR499,981	European Union 3.75% 12/10/2045	428	0.17
EUR231,000	Fingrid OYJ 2.75% 04/12/2029	200	0.08
EUR200,000	Fiserv Funding ULC 3.5% 15/06/2032	171	0.07
EUR150,000	Fiserv Funding ULC 4% 15/06/2036	128	0.05
EUR400,000	Fluxys SA 4% 28/11/2030	353	0.14
EUR200,000	GELF Bond Issuer I SA 1.125% 18/07/2029	162	0.06
EUR852,000	Iccrea Banca SpA 3.25% 30/01/2031	740	0.29
EUR658,000	Iccrea Banca SpA 3.5% 04/03/2032	583	0.23
EUR235,000	IHG Finance LLC 4.375% 28/11/2029	213	0.08
EUR1,100,000	Illinois Tool Works, Inc. 3.375% 17/05/2032	964	0.38
EUR429,000	Imperial Brands Finance PLC 3.875% 12/02/2034	368	0.15

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR250,000 INEOS Finance PLC 5.625% 15/08/2030	172	0.07	
EUR700,000 ING Bank NV 2.5% 02/09/2030	603	0.24	
EUR1,400,000 ING Bank NV 2.75% 25/11/2032	1,203	0.48	
EUR300,000 Investor AB 4% 31/03/2038	266	0.11	
EUR392,000 Islandsbanki Hf. 3.875% 20/09/2030	347	0.14	
EUR179,000 Johnson & Johnson 3.05% 26/02/2033	155	0.06	
EUR597,000 Johnson & Johnson 3.2% 01/06/2032	524	0.21	
EUR411,000 JT International Financial Services BV 3.625% 11/04/2034	352	0.14	
EUR875,000 JT International Financial Services BV 4.125% 17/06/2035	769	0.30	
EUR301,000 Jyske Bank AS Var 2.875% 05/05/2029	262	0.10	
EUR200,000 KBC Group NV Var 6% Perpetual	181	0.07	
EUR400,000 Koninklijke Philips NV 3.75% 31/05/2032	354	0.14	
EUR178,000 Koninklijke Philips NV 4% 23/05/2035	157	0.06	
EUR700,000 La Banque Postale Home Loan SFH SA 2.75% 05/11/2031	602	0.24	
EUR286,000 Landsbankinn Hf. 3.5% 24/06/2030	249	0.10	
EUR610,000 Landsbankinn Hf. 3.75% 08/10/2029	537	0.21	
EUR500,000 Linde PLC 3% 18/02/2033	427	0.17	
EUR400,000 Linde PLC 3.75% 20/11/2038	343	0.14	
EUR215,000 London Power Networks PLC 3.837% 11/06/2037	186	0.07	
EUR400,000 L'Oreal SA 2.875% 06/11/2031	345	0.14	
EUR400,000 L'Oreal SA 2.875% 12/01/2032	345	0.14	
EUR600,000 LVMH Moet Hennessy Louis Vuitton SE 3.375% 05/02/2030	534	0.21	
EUR173,000 Magna International, Inc. 3.625% 21/05/2031	153	0.06	
EUR200,000 mBank SA Var 3.7714% 03/03/2032	174	0.07	
EUR489,000 McDonald's Corp. 3.5% 21/05/2032	429	0.17	
EUR750,000 Medtronic Global Holdings SCA 3.375% 15/10/2034	649	0.26	
EUR1,100,000 Metropolitan Life Global Funding I 3.75% 07/12/2031	980	0.39	
EUR400,000 Mondi Finance PLC 3.75% 31/05/2032	349	0.14	
EUR1,297,000 Morgan Stanley Var 3.981% 23/01/2037	1,131	0.45	
EUR545,000 Motability Operations Group PLC 3.625% 24/07/2029	484	0.19	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR559,000	National Australia Bank Ltd. 2.723% 27/08/2030	485	0.19
EUR400,000	National Grid North America, Inc. 3.724% 25/11/2034	346	0.14
EUR800,000	Nationwide Building Society 3% 03/03/2030	695	0.27
EUR1,000,000	Nationwide Building Society 3% 24/03/2032	870	0.34
EUR900,000	Nationwide Building Society 3.125% 18/08/2032	772	0.30
EUR940,000	Nationwide Building Society 3.309% 02/05/2034	822	0.32
EUR600,000	Nationwide Building Society Var 3.77% 27/01/2036	523	0.21
EUR302,000	NBN Co. Ltd. 3.375% 29/11/2032	264	0.10
EUR2,825,000	New York Life Global Funding 3.45% 30/01/2031	2,490	0.98
EUR2,589,000	New York Life Global Funding 3.625% 09/01/2030	2,303	0.91
EUR2,200,000	Northwestern Mutual Global Funding 4.109% 15/03/2030	1,991	0.79
EUR1,100,000	Novo Banco SA 2.75% 04/02/2030	955	0.38
EUR451,000	Novo Nordisk Finance Netherlands BV 3.25% 21/01/2031	397	0.16
EUR891,000	Novo Nordisk Finance Netherlands BV 4% 20/11/2045	747	0.30
EUR500,000	Oma Saastopankki OYJ FRN 4.316% 02/10/2029	435	0.17
EUR336,000	Oncor Electric Delivery Co. LLC 3.5% 15/05/2031	297	0.12
EUR400,000	Orange SA 2.75% 19/05/2029	347	0.14
EUR1,100,000	Parker-Hannifin Corp. 2.9% 01/03/2030	951	0.38
EUR235,000	Pfizer Netherlands International Finance BV 3.875% 19/05/2037	208	0.08
EUR460,000	Powszechna Kasa Oszczednosci Bank Polski SA Var 3.625% 20/11/2032	398	0.16
EUR600,000	Raiffeisen Bank International AG Var 3.5% 27/08/2031	522	0.21
EUR400,000	Raiffeisen Bank International AG Var 3.5% 18/02/2032	350	0.14
EUR200,000	Raiffeisen Bank International AG Var 3.875% 03/01/2030	178	0.07
EUR500,000	Resa SA 3.5% 22/05/2031	437	0.17
EUR300,000	Robert Bosch Finance LLC 2.75% 28/05/2028	261	0.10
EUR300,000	Robert Bosch Finance LLC 3.25% 28/05/2031	261	0.10
EUR950,000	Royal Bank of Canada 2.75% 04/02/2030	827	0.33
EUR200,000	RTE Réseau de Transport d'Électricité SADR 2.875% 02/10/2028	175	0.07

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR331,000 Santander U.K. PLC 2.875% 12/01/2032	285	0.11	
EUR2,551,000 Santander U.K. PLC 3% 12/03/2029	2,238	0.88	
EUR300,000 Schneider Electric SE 2.75% 04/07/2030	259	0.10	
EUR200,000 Schneider Electric SE 3.125% 13/10/2029	176	0.07	
EUR800,000 Schneider Electric SE 3.375% 13/04/2034	697	0.28	
EUR275,000 Scottish Hydro Electric Transmission PLC 3.375% 04/09/2032	239	0.09	
EUR1,100,000 Siemens Financieringsmaatschappij NV 3.125% 22/05/2032	960	0.38	
EUR400,000 Siemens Financieringsmaatschappij NV 3.625% 27/05/2036	350	0.14	
EUR620,000 Skandinaviska Enskilda Banken AB 3% 10/02/2032	535	0.21	
EUR800,000 Stadshypotek AB 2.875% 31/03/2032	695	0.27	
EUR421,000 Standard Chartered PLC Var 3.717% 14/01/2034	365	0.14	
EUR491,000 Statnett SF 3.625% 21/10/2038	418	0.17	
EUR474,000 Sumitomo Mitsui Banking Corp. 2.737% 18/02/2030	409	0.16	
EUR598,000 Sumitomo Mitsui Financial Group, Inc. 3.573% 28/05/2032	524	0.21	
EUR600,000 Svenska Handelsbanken AB 0.5% 18/02/2030	472	0.19	
EUR592,000 Swisscom Finance BV 3.5% 29/11/2031	524	0.21	
EUR263,000 Telstra Group Ltd. 3.375% 02/03/2035	226	0.09	
EUR207,000 Tesco Corporate Treasury Services PLC 3.375% 06/05/2032	180	0.07	
EUR900,000 TotalEnergies Capital International SA 3.075% 01/07/2031	779	0.31	
EUR800,000 TotalEnergies Capital International SA 3.647% 01/07/2035	691	0.27	
EUR566,000 TSB Bank PLC 2.704% 18/02/2030	489	0.19	
EUR350,000 TSB Bank PLC 3.319% 05/03/2029	309	0.12	
EUR290,000 UBS Group AG Var 3.875% 13/01/2037	252	0.10	
EUR394,000 Unilever Capital Corp. 3.375% 22/05/2035	339	0.13	
EUR800,000 Universal Music Group NV 3.75% 30/06/2032	706	0.28	
EUR200,000 Vier Gas Transport GmbH 3.375% 11/11/2031	174	0.07	
EUR566,000 Visa, Inc. 3.5% 15/05/2037	488	0.19	
EUR792,000 Visa, Inc. 3.875% 15/05/2044	670	0.26	
EUR200,000 Volkswagen Bank GmbH 3.125% 10/12/2029	174	0.07	
EUR400,000 Volkswagen Bank GmbH 3.5% 19/06/2031	350	0.14	

Portfolio statement

Investments (continued)

Holding		as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)				
Euro denominated bonds (continued)				
Corporate bonds (continued)				
EUR555,000	Westpac Banking Corp. 2.912% 26/11/2032	479	0.19	
EUR400,000	Worldline SA 5.5% 10/06/2030	299	0.12	
EUR489,000	Yorkshire Building Society 2.75% 28/01/2030	424	0.17	
	Government bonds	1,503	0.59	1.02
EUR750,000	Mexico Government International Bonds 4.875% 16/05/2036	649	0.25	
EUR926,000	Romania Government International Bonds 5.875% 11/07/2032	854	0.34	
	Japanese yen denominated bonds	625	0.25	0.11
	Government bonds	625	0.25	0.11
JPY253,400,000	Japan Government Thirty Year Bonds 0.7% 20/06/2051	625	0.25	
	Sterling denominated bonds	28,237	11.15	11.69
	Corporate bonds	14,401	5.69	9.56
GBP700,000	ABN AMRO Bank NV 4.625% 08/11/2030	697	0.28	
GBP500,000	ABN AMRO Bank NV 4.75% 24/10/2029	507	0.20	
GBP211,000	Anglian Water Services Financing PLC 6.25% 12/09/2044	202	0.08	
GBP1,500,000	Banco Santander SA 4.625% 17/11/2030	1,501	0.59	
GBP500,000	Banco Santander SA 5.375% 17/01/2031	517	0.20	
GBP200,000	Bank of America Corp. Var 1.667% 02/06/2029	188	0.07	
GBP1,200,000	Carlsberg Breweries AS 5.5% 28/02/2039	1,183	0.47	
GBP200,000	Fiserv, Inc. 3% 01/07/2031	180	0.07	
GBP655,000	Lloyds Bank PLC 4.875% 30/03/2027	661	0.26	
GBP500,000	Lloyds Bank PLC FRN 4.3553% 06/11/2030	501	0.20	
GBP485,000	Lloyds Banking Group PLC Var 5.25% 16/10/2031	494	0.20	
GBP689,000	Metropolitan Life Global Funding I 1.625% 12/10/2028	644	0.25	
GBP465,000	Metropolitan Life Global Funding I 4.75% 27/08/2031	468	0.18	
GBP600,000	Morgan Stanley Var 5.213% 24/10/2035	596	0.24	
GBP700,000	Motability Operations Group PLC 2.125% 18/01/2042	426	0.17	
GBP556,000	Nationwide Building Society 4.125% 21/10/2030	555	0.22	
GBP900,000	Nestle Capital Corp. 4.5% 22/03/2029	912	0.36	
GBP595,000	Northwestern Mutual Global Funding 4.7% 28/10/2030	599	0.24	
GBP1,100,000	Northwestern Mutual Global Funding 4.88% 12/12/2029	1,119	0.44	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Sterling denominated bonds (continued)			
Corporate bonds (continued)			
GBP100,000 Pearson Funding PLC 5.375% 12/09/2034	99	0.04	
GBP250,000 Time Warner Cable LLC 5.75% 02/06/2031	252	0.10	
GBP400,000 UniCredit SpA Var 5.3048% 31/07/2032	406	0.16	
GBP1,100,000 United Utilities Water Finance PLC 1.75% 10/02/2038	717	0.28	
GBP600,000 Verizon Communications, Inc. 1.875% 03/11/2038	393	0.16	
GBP583,000 Wise Financing PLC 5.1% 25/11/2030	584	0.23	
Government bonds	13,836	5.46	2.13
GBP10,375,000 U.K. Gilts 4.25% 07/03/2036	10,077	3.98	
GBP3,678,810 U.K. Inflation-Linked Gilts 1.75% 22/09/2038	3,759	1.48	
US dollar denominated bonds	115,646	45.69	52.82
Corporate bonds	95,596	37.77	44.87
USD1,135,000 Abbott Laboratories 4.75% 30/11/2036	818	0.32	
USD1,247,000 AbbVie, Inc. 3.2% 21/11/2029	876	0.35	
USD500,000 ABN AMRO Bank NV Var 5.515% 03/12/2035	373	0.15	
USD250,000 Accenture Capital, Inc. 4.5% 04/10/2034	178	0.07	
USD500,000 AEP Texas, Inc. 5.45% 15/05/2029	376	0.15	
USD1,100,000 AEP Texas, Inc. 5.7% 15/05/2034	832	0.33	
USD650,000 AES Corp. 2.45% 15/01/2031	428	0.17	
USD900,000 AIB Group PLC Var 5.871% 28/03/2035	689	0.27	
USD595,000 Air Products & Chemicals, Inc. 2.7% 15/05/2040	324	0.13	
USD500,000 Air Products & Chemicals, Inc. 4.8% 03/03/2033	369	0.15	
USD542,000 Alphabet, Inc. 5.45% 15/11/2055	384	0.15	
USD400,000 American International Group, Inc. 5.125% 27/03/2033	297	0.12	
USD1,376,000 American Water Capital Corp. 6.593% 15/10/2037	1,129	0.45	
USD750,000 Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc. 4.7% 01/02/2036	536	0.21	
USD1,250,000 Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc. 4.9% 01/02/2046	836	0.33	
USD2,450,000 Apple, Inc. 3.45% 09/02/2045	1,375	0.54	
USD500,000 ASB Bank Ltd. 4.155% 29/10/2030	361	0.14	
USD801,000 Bank of America Corp. Var 4.271% 23/07/2029	583	0.23	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD693,000 Bank of America Corp. Var 5.202% 25/04/2029	514	0.20	
USD1,465,000 Bank of America Corp. Var 5.468% 23/01/2035	1,102	0.44	
USD330,000 Bank of America Corp. Var 6.204% 10/11/2028	248	0.10	
USD640,000 Bank of New York Mellon Corp. Var 5.06% 22/07/2032	479	0.19	
USD400,000 Banque Federative du Credit Mutuel SA 5.538% 22/01/2030	301	0.12	
USD750,000 Barclays PLC Var 5.367% 25/02/2031	561	0.22	
USD400,000 Barclays PLC Var 7.437% 02/11/2033	331	0.13	
USD689,000 BAT Capital Corp. 2.259% 25/03/2028	481	0.19	
USD715,000 BAT Capital Corp. 6.421% 02/08/2033	568	0.22	
USD200,000 Bayer U.S. Finance II LLC 4.625% 25/06/2038	133	0.05	
USD500,000 BHP Billiton Finance USA Ltd. 5% 21/02/2030	373	0.15	
USD750,000 Bimbo Bakeries USA, Inc. 5.375% 09/01/2036	551	0.22	
USD400,000 BNP Paribas SA Var 5.335% 12/06/2029	297	0.12	
USD1,100,000 Burlington Northern Santa Fe LLC 4.9% 01/04/2044	750	0.30	
USD448,000 Canadian Pacific Railway Co. 4.8% 30/03/2030	332	0.13	
USD672,000 CenterPoint Energy Resources Corp. 5.4% 01/07/2034	502	0.20	
USD330,000 Charter Communications Operating LLC/Charter Communications Operating Capital 2.3% 01/02/2032	204	0.08	
USD602,000 Charter Communications Operating LLC/Charter Communications Operating Capital 5.25% 01/04/2053	337	0.13	
USD500,000 Cintas Corp. No. 2 4% 01/05/2032	354	0.14	
USD400,000 Cisco Systems, Inc. 4.85% 26/02/2029	297	0.12	
USD400,000 Cisco Systems, Inc. 4.95% 26/02/2031	300	0.12	
USD300,000 Citigroup, Inc. Var 3.98% 20/03/2030	216	0.09	
USD1,950,000 Coca-Cola Co. 2.875% 05/05/2041	1,083	0.43	
USD885,000 Comcast Corp. 1.5% 15/02/2031	560	0.22	
USD741,000 Comcast Corp. 3.25% 01/11/2039	418	0.17	
USD829,000 Comcast Corp. 3.4% 01/04/2030	582	0.23	
USD1,251,000 Comcast Corp. 3.75% 01/04/2040	745	0.29	
USD1,100,000 Comcast Corp. 4.4% 15/08/2035	759	0.30	
USD226,000 Constellation Energy Generation LLC 5.875% 15/01/2066	161	0.06	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD1,000,000 Cooperatieve Rabobank UA 4.494% 17/10/2029	737	0.29	
USD270,000 CSL Finance PLC 4.625% 27/04/2042	176	0.07	
USD1,300,000 Deutsche Bank AG 5.414% 10/05/2029	979	0.39	
USD290,000 Dominion Energy, Inc. 2.25% 15/08/2031	188	0.07	
USD750,000 Duke Energy Progress LLC 5.05% 15/03/2035	551	0.22	
USD1,180,000 Duke Energy Progress LLC 5.1% 15/03/2034	878	0.35	
USD665,000 Eaton Corp. 4.15% 02/11/2042	418	0.17	
USD700,000 Elevance Health, Inc. 2.55% 15/03/2031	462	0.18	
USD981,000 Elevance Health, Inc. 4.625% 15/05/2042	636	0.25	
USD1,100,000 Eli Lilly & Co. 5.1% 12/02/2035	822	0.32	
USD1,100,000 Emerson Electric Co. 5% 15/03/2035	813	0.32	
USD700,000 Enel Finance International NV 7.5% 14/10/2032	583	0.23	
USD400,000 Engie SA 5.625% 10/04/2034	303	0.12	
USD500,000 Entergy Texas, Inc. 1.75% 15/03/2031	320	0.13	
USD2,350,000 Essential Utilities, Inc. 2.704% 15/04/2030	1,604	0.63	
USD600,000 Estee Lauder Cos., Inc. 4.65% 15/05/2033	436	0.17	
USD1,100,000 Eversource Energy 5.5% 01/01/2034	821	0.32	
USD200,000 Exelon Corp. 4.45% 15/04/2046	121	0.05	
USD52,000 FirstEnergy Pennsylvania Electric Co. 5.2% 01/04/2028	38	0.01	
USD700,000 Ford Motor Credit Co. LLC 6.125% 08/03/2034	519	0.21	
USD450,000 Foundry JV Holdco LLC 6.2% 25/01/2037	345	0.14	
USD650,000 Foundry JV Holdco LLC 6.3% 25/01/2039	500	0.20	
USD750,000 General Electric Co. 6.75% 15/03/2032	614	0.24	
USD500,000 GlaxoSmithKline Capital, Inc. 6.375% 15/05/2038	406	0.16	
USD649,000 Goldman Sachs Group, Inc. Var 1.992% 27/01/2032	417	0.16	
USD750,000 Goldman Sachs Group, Inc. Var 4.017% 31/10/2038	486	0.19	
USD1,450,000 Guardian Life Global Funding 4.066% 05/09/2028	1,052	0.42	
USD500,000 Guardian Life Global Funding 4.327% 06/10/2030	362	0.14	
USD4,700,000 Guardian Life Global Funding 4.798% 28/04/2030	3,462	1.37	
USD250,000 Harbour Energy PLC 6.327% 01/04/2035	185	0.07	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD200,000 HCA, Inc. 5.125% 15/06/2039	140	0.06	
USD200,000 Hewlett Packard Enterprise Co. 5% 15/10/2034	143	0.06	
USD1,100,000 Home Depot, Inc. 3.3% 15/04/2040	651	0.26	
USD1,450,000 ING Groep NV Var 5.335% 19/03/2030	1,084	0.43	
USD600,000 Intel Corp. 2.8% 12/08/2041	307	0.12	
USD705,000 International Flavors & Fragrances, Inc. 3.268% 15/11/2040	392	0.15	
USD1,200,000 Intesa Sanpaolo SpA 4% 23/09/2029	860	0.34	
USD1,200,000 Japan Tobacco, Inc. 5.85% 15/06/2035	925	0.37	
USD113,000 Jersey Central Power & Light Co. 5.1% 15/01/2035	83	0.03	
USD597,000 John Deere Capital Corp. 5.1% 11/04/2034	446	0.18	
USD750,000 Johnson & Johnson 4.85% 01/03/2032	563	0.22	
USD1,320,000 JPMorgan Chase & Co. Var 2.069% 01/06/2029	915	0.36	
USD1,320,000 JPMorgan Chase & Co. Var 2.739% 15/10/2030	909	0.36	
USD940,000 JPMorgan Chase & Co. Var 3.782% 01/02/2028	680	0.27	
USD536,000 KBC Group NV Var 5.796% 19/01/2029	401	0.16	
USD1,780,000 KeySpan Gas East Corp. 5.994% 06/03/2033	1,358	0.54	
USD200,000 Liberty Utilities Co. 5.577% 31/01/2029	149	0.06	
USD641,000 Liberty Utilities Co. 5.869% 31/01/2034	485	0.19	
USD396,000 Lloyds Banking Group PLC Var 4.425% 04/11/2031	286	0.11	
USD1,200,000 L'Oreal SA 5% 20/05/2035	885	0.35	
USD1,700,000 LYB International Finance III LLC 3.375% 01/10/2040	895	0.35	
USD72,000 Magna International, Inc. 5.875% 01/06/2035	55	0.02	
USD800,000 Mars, Inc. 5% 01/03/2032	595	0.24	
USD365,000 Mars, Inc. 5.65% 01/05/2045	267	0.11	
USD1,320,000 Meta Platforms, Inc. 3.85% 15/08/2032	924	0.37	
USD2,200,000 Meta Platforms, Inc. 5.5% 15/11/2045	1,538	0.61	
USD800,000 Meta Platforms, Inc. 5.625% 15/11/2055	552	0.22	
USD2,241,000 Metropolitan Life Global Funding I 2.95% 09/04/2030	1,542	0.61	
USD799,000 Metropolitan Life Global Funding I 4.3% 25/08/2029	580	0.23	
USD1,700,000 Microsoft Corp. 2.525% 01/06/2050	750	0.30	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD750,000 Microsoft Corp. 2.921% 17/03/2052	354	0.14	
USD700,000 Mizuho Financial Group, Inc. Var 5.778% 06/07/2029	527	0.21	
USD730,000 Morgan Stanley Var 2.699% 22/01/2031	496	0.20	
USD1,350,000 Morgan Stanley Var 3.971% 22/07/2038	879	0.35	
USD459,000 Morgan Stanley Var 4.21% 20/04/2028	334	0.13	
USD600,000 Morgan Stanley Var 5.656% 18/04/2030	453	0.18	
USD751,000 National Rural Utilities Cooperative Finance Corp. 5.8% 15/01/2033	582	0.23	
USD1,200,000 Nationwide Building Society 4.351% 30/09/2030	868	0.34	
USD700,000 NatWest Group PLC Var 4.964% 15/08/2030	518	0.20	
USD961,000 NatWest Group PLC Var 5.808% 13/09/2029	725	0.29	
USD516,000 NBN Co. Ltd. 5.75% 06/10/2028	390	0.15	
USD380,000 NextEra Energy Capital Holdings, Inc. 2.25% 01/06/2030	253	0.10	
USD925,000 NextEra Energy Capital Holdings, Inc. 2.44% 15/01/2032	597	0.24	
USD189,000 NextEra Energy Capital Holdings, Inc. 4.685% 01/09/2027	139	0.05	
USD900,000 NiSource, Inc. 5.35% 15/07/2035	665	0.26	
USD500,000 Nordea Bank Abp 4.375% 10/09/2029	365	0.14	
USD600,000 Norfolk Southern Corp. 5.05% 01/08/2030	448	0.18	
USD1,470,000 Northwestern Mutual Global Funding 5.16% 28/05/2031	1,100	0.43	
USD640,000 Novartis Capital Corp. 3.8% 18/09/2029	462	0.18	
USD750,000 Novartis Capital Corp. 4.6% 05/11/2035	538	0.21	
USD1,250,000 Oracle Corp. 3.6% 01/04/2040	666	0.26	
USD750,000 Oracle Corp. 5.25% 03/02/2032	542	0.21	
USD750,000 Orange SA 5% 13/01/2036	539	0.21	
USD100,000 Pacific Gas & Electric Co. 4.95% 01/07/2050	61	0.02	
USD1,700,000 PepsiCo, Inc. 2.625% 21/10/2041	896	0.35	
USD1,100,000 Pfizer, Inc. 4.5% 15/11/2032	799	0.32	
USD750,000 Philip Morris International, Inc. 4.5% 20/03/2042	486	0.19	
USD997,000 Philip Morris International, Inc. 4.875% 15/02/2028	736	0.29	
USD595,000 Philip Morris International, Inc. 5.25% 07/09/2028	445	0.18	
USD529,000 Philip Morris International, Inc. 5.625% 17/11/2029	403	0.16	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
US dollar denominated bonds (continued)			
Corporate bonds (continued)			
USD1,100,000 Piedmont Natural Gas Co., Inc. 5.1% 15/02/2035	807	0.32	
USD1,100,000 Potomac Electric Power Co. 5.2% 15/03/2034	817	0.32	
USD1,200,000 Pricoa Global Funding I 4.75% 26/08/2032	871	0.34	
USD880,000 PSEG Power LLC 5.75% 15/05/2035	660	0.26	
USD200,000 Public Service Enterprise Group, Inc. 6.125% 15/10/2033	156	0.06	
USD600,000 Repsol E&P Capital Markets U.S. LLC 5.976% 16/09/2035	444	0.18	
USD775,000 Republic Services, Inc. 5% 15/12/2033	578	0.23	
USD500,000 Roche Holdings, Inc. 1.93% 13/12/2028	344	0.14	
USD900,000 Royal Bank of Canada 2.3% 03/11/2031	587	0.23	
USD640,000 Royal Bank of Canada Var 4.969% 02/08/2030	475	0.19	
USD571,000 Santander U.K. Group Holdings PLC Var 2.469% 11/01/2028	408	0.16	
USD250,000 Skandinaviska Enskilda Banken AB 5.375% 05/03/2029	187	0.07	
USD286,000 SMBC Aviation Capital Finance DAC 5.7% 25/07/2033	216	0.09	
USD700,000 Snam SpA 5.75% 28/05/2035	530	0.21	
USD200,000 Southern California Edison Co. 2.85% 01/08/2029	137	0.05	
USD500,000 Southern Co. 4.85% 15/03/2035	358	0.14	
USD300,000 Starbucks Corp. 5.4% 15/05/2035	225	0.09	
USD640,000 State Street Corp. Var 4.164% 04/08/2033	454	0.18	
USD475,000 Svenska Handelsbanken AB 5.5% 15/06/2028	356	0.14	
USD200,000 Synopsys, Inc. 5% 01/04/2032	148	0.06	
USD586,000 Takeda Pharmaceutical Co. Ltd. 3.025% 09/07/2040	325	0.13	
USD640,000 Target Corp. 4.5% 15/09/2034	457	0.18	
USD108,000 Trans-Allegheny Interstate Line Co. 5% 15/01/2031	80	0.03	
USD421,000 U.S. Bancorp Var 5.384% 23/01/2030	316	0.12	
USD1,611,000 UBS Group AG Var 3.126% 13/08/2030	1,122	0.44	
USD1,197,000 UBS Group AG Var 5.428% 08/02/2030	897	0.35	
USD380,000 UBS Group AG Var 6.246% 22/09/2029	290	0.11	
USD250,000 UDR, Inc. 1.9% 15/03/2033	148	0.06	
USD875,000 Union Pacific Corp. 2.8% 14/02/2032	583	0.23	
USD359,000 Vallourec SACA 7.5% 15/04/2032	277	0.11	

Portfolio statement

Investments (continued)

Holding		as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)				
US dollar denominated bonds (continued)				
Corporate bonds (continued)				
USD490,000	Verizon Communications, Inc. 5.875% 30/11/2055	351	0.14	
USD335,000	Volkswagen Group of America Finance LLC 5.25% 22/03/2029	248	0.10	
USD1,320,000	Waste Connections, Inc. 2.2% 15/01/2032	845	0.33	
USD851,000	Wells Fargo & Co. Var 2.572% 11/02/2031	576	0.23	
USD256,000	Wells Fargo & Co. Var 4.478% 04/04/2031	186	0.07	
USD800,000	Wells Fargo & Co. Var 5.574% 25/07/2029	600	0.24	
USD500,000	Westpac New Zealand Ltd. 5.195% 28/02/2029	374	0.15	
	Government bonds	20,050	7.92	7.95
USD25,647,800	U.S. Treasury Bonds 1.25% 15/05/2050	8,897	3.51	
USD675,000	U.S. Treasury Inflation-Indexed Bonds 0.625% 15/02/2043	516	0.20	
USD6,525,200	U.S. Treasury Inflation-Indexed Bonds 0.875% 15/02/2047	4,594	1.82	
USD5,727,500	U.S. Treasury Inflation-Indexed Bonds 2.125% 15/02/2041	6,043	2.39	
	Derivatives	2,964	1.17	1.61
	Forwards	2,963	1.17	1.54
	Bought AUD41,495 for GBP20,891 Settlement 11/02/2026	0	0.00	
	Bought USD1,593,065 for GBP1,187,963 Settlement 11/02/2026	(32)	(0.01)	
	Sold AUD3,361,798 for GBP1,674,648 Settlement 11/02/2026	(39)	(0.02)	
	Sold EUR112,902,883 for GBP98,184,371 Settlement 11/02/2026	238	0.09	
	Sold USD164,132,245 for GBP121,911,120 Settlement 11/02/2026	2,796	1.11	
	Futures	(15)	(0.01)	0.03
156	CBOT 2 Year U.S. Treasury Notes Futures Mar 2026	(40)	(0.02)	
62	CBOT 5 Year U.S. Treasury Notes Futures Mar 2026	(14)	(0.01)	
35	CBOT 10 Year U.S. Treasury Notes Futures Mar 2026	(27)	(0.01)	
35	CBOT U.S. Long Bond Futures Mar 2026	(17)	(0.01)	
(182)	Eurex 5 Year Euro BOBL Futures Mar 2026	1	0.00	
(148)	Eurex 10 Year Euro BUND Futures Mar 2026	29	0.01	
(15)	Eurex 30 Year Euro BUXL Futures Mar 2026	13	0.01	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 £'000	as at 31.01.26 %	as at 31.01.25 %
Derivatives (continued)			
Futures (continued)			
168 Eurex 2 Year Euro SCHATZ Futures Mar 2026	(5)	0.00	
1 Eurex Swiss Federal Bond Futures Mar 2026	(1)	0.00	
(108) Long Gilt Futures Mar 2026	50	0.02	
47 Montreal Exchange 5 Year Canadian Bond Futures Mar 2026	4	0.00	
14 Montreal Exchange 10 Year Canadian Bond Futures Mar 2026	(13)	(0.01)	
17 SFE 10 Year Australian Bond Futures Mar 2026	(7)	0.00	
(2) TSE Japanese 10 Year Bond Futures Mar 2026	18	0.01	
(51) Ultra 10 Year U.S. Treasury Notes Futures Mar 2026	(8)	0.00	
4 Ultra U.S. Treasury Bond Futures Mar 2026	2	0.00	
Credit default swaps	2	0.00	0.01
EUR(1,501,400) BAT International Finance PLC 20/12/2026	(11)	(0.01)	
EUR(660,000) Deutsche Bank AG 20/06/2026	(3)	0.00	
EUR1,000,000 Vodafone Group PLC 20/06/2028	16	0.01	
Interest rate swaps	14	0.01	0.03
GBP5,800,000 Pay VAR Receive 3.8141% 12/03/2029	14	0.01	
Total portfolio	245,221	96.88	97.05
Net other assets/(liabilities)	7,902	3.12	2.95
Net assets attributable to shareholders	253,123	100.00	100.00

The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

Portfolio statement

Top ten portfolio transactions for the year/period to 31 January 2026

Largest purchases	£'000
U.K. Inflation-Linked Gilts 0.75% 22/11/2033	11,116
U.K. Gilts 4.25% 07/03/2036	10,082
U.S. Treasury Bonds 1.25% 15/05/2050	8,222
U.S. Treasury Inflation-Indexed Bonds 2.125% 15/02/2041	6,382
U.S. Treasury Inflation-Indexed Bonds 0.875% 15/02/2047	4,843
U.K. Inflation-Linked Gilts 1.75% 22/09/2038	3,768
Guardian Life Global Funding 4.798% 28/04/2030	3,563
U.K. Inflation-Linked Gilts 1.875% 22/09/2049	2,866
MassMutual Global Funding II 3.25% 11/06/2032	2,730
New York Life Global Funding 3.45% 30/01/2031	2,484
Other purchases	165,700
Total purchases	221,756

Largest sales	£'000
U.S. Treasury Bonds 1.125% 15/08/2040	11,474
U.K. Inflation-Linked Gilts 0.75% 22/11/2033	11,262
U.S. Treasury Bonds 1.25% 15/05/2050	5,251
Tesco PLC 3.322% 05/11/2025	3,779
U.K. Inflation-Linked Gilts 1.875% 22/09/2049	2,914
MassMutual Global Funding II 3.25% 11/06/2032	2,774
European Union 0% 04/07/2031	2,514
New York Life Global Funding 4.9% 13/06/2028	2,477
Bundesrepublik Deutschland Bundesanleihe 2.4% 15/11/2030	2,241
U.K. Gilts 0.5% 31/01/2029	2,145
Other sales	123,326
Total sales	170,157

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 and shown as net of operating charge. 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	+5.9	n/a	n/a	n/a
Class 'A' Accumulation	+5.9	n/a	n/a	n/a
Class 'I' Income	+6.4	n/a	n/a	n/a
Class 'I' Accumulation	+6.3	n/a	n/a	n/a
Class 'L' Income	+6.5	n/a	n/a	n/a
Class 'L' Accumulation	+6.5	n/a	n/a	n/a
Class 'PP' Income	+6.4	n/a	n/a	n/a
Class 'PP' Accumulation	+6.4	n/a	n/a	n/a
Class 'R' Income	+6.1	n/a	n/a	n/a
Class 'R' Accumulation	+6.1	n/a	n/a	n/a
Benchmark	+6.8	n/a	n/a	n/a

^a Not annualised.

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 period 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 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	99.21	100.00
Return before operating charges*	6.64	5.18
Operating charges	(0.86)	(0.88)
Return after operating charges*	5.78	4.30
Distributions	(4.32)	(5.09)
Closing NAV	100.67	99.21
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	5.83	4.30
Other information		
Closing NAV (£'000)	42	34
Number of shares	42,303	34,046
Operating charges (%)	0.85	0.85
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	103.26	103.93
Lowest share price (UK p)	99.10	97.46

Sterling Class 'A' Accumulation shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	104.40	100.00
Return before operating charges*	98.91	5.30
Operating charges	(92.68)	(0.90)
Return after operating charges*	6.23	4.40
Distributions	(3.78)	(4.30)
Retained distributions	3.78	4.30
Closing NAV	110.63	104.40
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	5.97	4.40
Other information		
Closing NAV (£'000)	61	10
Number of shares	54,776	9,920
Operating charges (%)	0.85	0.85
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	111.13	106.70
Lowest share price (UK p)	104.45	98.76

Financial highlights

Sterling Class 'I' Income shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	99.63	100.00
Return before operating charges*	6.77	5.20
Operating charges	(0.46)	(0.47)
Return after operating charges*	6.31	4.73
Distributions	(4.44)	(5.10)
Closing NAV	101.50	99.63
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.33	4.73
Other information		
Closing NAV (£'000)	100	30
Number of shares	98,916	30,222
Operating charges (%)	0.45	0.45
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	104.00	104.21
Lowest share price (UK p)	99.64	97.57

Sterling Class 'I' Accumulation shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	104.83	100.00
Return before operating charges*	7.17	5.31
Operating charges	(0.49)	(0.48)
Return after operating charges*	6.68	4.83
Distributions	(4.23)	(4.72)
Retained distributions	4.23	4.72
Closing NAV	111.51	104.83
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.37	4.83
Other information		
Closing NAV (£'000)	686	196
Number of shares	614,818	187,255
Operating charges (%)	0.45	0.45
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	111.92	106.98
Lowest share price (UK p)	104.89	98.88

Financial highlights

Sterling Class 'L' Income shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	98.27	100.00
Return before operating charges*	6.61	5.13
Operating charges	(0.25)	(0.26)
Return after operating charges*	6.36	4.87
Distributions	(4.31)	(6.60)
Closing NAV	100.32	98.27
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.47	4.87
Other information		
Closing NAV (£'000)	174,157	152,831
Number of shares	173,607,666	155,519,936
Operating charges (%)	0.25	0.25
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	102.74	102.71
Lowest share price (UK p)	98.33	96.10

Sterling Class 'L' Accumulation shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	105.04	100.00
Return before operating charges*	7.12	5.31
Operating charges	(0.27)	(0.27)
Return after operating charges*	6.85	5.04
Distributions	(4.38)	(4.94)
Retained distributions	4.38	4.94
Closing NAV	111.89	105.04
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.52	5.04
Other information		
Closing NAV (£'000)	68,623	45,397
Number of shares	61,332,296	43,219,969
Operating charges (%)	0.25	0.25
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	112.31	107.11
Lowest share price (UK p)	105.10	98.92

Financial highlights

Sterling Class 'PP' Income shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	99.72	100.00
Return before operating charges*	6.71	5.18
Operating charges	(0.36)	(0.36)
Return after operating charges*	6.35	4.82
Distributions	(4.37)	(5.10)
Closing NAV	101.70	99.72
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.37	4.82
Other information		
Closing NAV (£'000)	9,257	7,540
Number of shares	9,102,611	7,561,169
Operating charges (%)	0.35	0.35
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	104.18	104.27
Lowest share price (UK p)	99.76	97.59

Sterling Class 'PP' Accumulation shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	104.93	100.00
Return before operating charges*	7.10	5.30
Operating charges	(0.38)	(0.37)
Return after operating charges*	6.72	4.93
Distributions	(4.26)	(4.83)
Retained distributions	4.26	4.83
Closing NAV	111.65	104.93
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.40	4.93
Other information		
Closing NAV (£'000)	10	10
Number of shares	9,000	9,000
Operating charges (%)	0.35	0.35
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	112.10	107.04
Lowest share price (UK p)	104.99	98.89

Financial highlights

Sterling Class 'R' Income shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	99.36	100.00
Return before operating charges*	6.72	5.18
Operating charges	(0.71)	(0.73)
Return after operating charges*	6.01	4.45
Distributions	(4.39)	(5.09)
Closing NAV	100.98	99.36
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.05	4.45
Other information		
Closing NAV (£'000)	34	20
Number of shares	33,879	20,374
Operating charges (%)	0.70	0.70
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	103.54	104.03
Lowest share price (UK p)	99.29	97.50

Sterling Class 'R' Accumulation shares

The share class was launched on 19 January 2024.

for the year/period to 31 January	2026	2025
Change in NAV per share	UK p	UK p
Opening NAV	104.55	100.00
Return before operating charges*	7.13	5.30
Operating charges	(0.76)	(0.75)
Return after operating charges*	6.37	4.55
Distributions	(3.91)	(4.45)
Retained distributions	3.91	4.45
Closing NAV	110.92	104.55
*after direct transaction cost of	0.01	0.01
Performance		
Return after charges (%)	6.09	4.55
Other information		
Closing NAV (£'000)	153	93
Number of shares	137,930	88,451
Operating charges (%)	0.70	0.70
Direct transaction costs (%)	0.01	0.01
Prices		
Highest share price (UK p)	111.42	106.80
Lowest share price (UK p)	104.61	98.80

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Statement of total return

for the year/period to 31 January	Note	2026		2025	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	3		4,549		1,263
Revenue	5	9,512		11,968	
Expenses	6	(550)		(617)	
Interest payable and similar charges		(2)		(3)	
Net revenue/(expense) before taxation		8,960		11,348	
Taxation	7	(266)		0	
Net revenue/(expense) after taxation			8,694		11,348
Total return before distributions			13,243		12,611
Distributions	8		(9,133)		(11,939)
Change in net assets attributable to shareholders from investment activities			4,110		672

Statement of change in net assets attributable to shareholders

for the year/period to 31 January	2026		2025	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		206,161		0
Amounts received on issue of shares	85,655		328,422	
Amounts paid on cancellation of shares	(44,856)		(124,231)	
		40,799		204,191
Dilution adjustments		154		475
Change in net assets attributable to shareholders from investment activities (see above)		4,110		672
Retained distributions on Accumulation shares		1,899		823
Closing net assets attributable to shareholders		253,123		206,161

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Financial statements

Balance sheet

as at 31 January	Note	2026 £'000	2025 £'000
Assets			
Fixed assets			
Investments		245,438	200,564
Current assets			
Debtors	9	3,994	4,175
Cash and bank balances	10	4,928	4,366
Cash equivalents		2,766	2,835
Total assets		257,126	211,940
Liabilities			
Investment liabilities		(217)	(495)
Creditors			
Bank overdrafts		(2,068)	(87)
Overdrawn positions at futures clearing houses and collateral manager		(4)	(13)
Distribution payable		(1,668)	(1,970)
Other creditors	11	(46)	(3,214)
Total liabilities		(4,003)	(5,779)
Net assets attributable to shareholders		253,123	206,161

Financial statements and notes

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with the 'Summary of significant accounting policies' set out on pages 9 to 12.

2 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.

3 Net capital gains/(losses)

for the year/period to 31 January	2026 £'000	2025 £'000
Non-derivative securities	(7,479)	(188)
Derivative contracts	12,014	1,559
Currency gains/(losses)	14	(108)
Net capital gains/(losses)	4,549	1,263

Financial statements and notes

4 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' within 'Notes to the financial statements' on pages 11 and 12. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year/period to 31 January	2026 £'000		2025 £'000	
a) Purchases				
Debt securities	221,756		462,669	
b) Sales				
Debt securities	170,157		265,942	
Other transaction types				
Corporate actions	0		2,012	
Total sales	170,157		267,954	
	2026 £'000	% of average NAV	2025 £'000	% of average NAV
c) Direct portfolio transaction costs				
Commissions paid				
Derivatives	8	0.00	12	0.00
Taxes and other fees paid				
Derivatives	8	0.01	13	0.01
Total direct portfolio transaction costs	16	0.01	25	0.01
		%		%
d) Indirect portfolio transaction costs				
Average portfolio dealing spread as at the balance sheet date		0.34		0.41

5 Revenue

for the year/period to 31 January	2026 £'000	2025 £'000
Bank interest	24	16
Derivative revenue	19	49
Interest distributions	166	237
Interest on debt securities	9,301	11,664
Rebate of ongoing charges from underlying funds	2	2
Total revenue	9,512	11,968

Financial statements and notes

6 Expenses

for the year/period to 31 January	2026 £'000	2025 £'000
Payable to the ACD or associate		
Annual charge	550	617
Total expenses	550	617

Audit fees for the financial year ending 2026 were £14,000 (2025: £13,000) (including VAT), which are covered by the annual charge.

7 Taxation

for the year/period to 31 January	2026 £'000	2025 £'000
Analysis of charge in the year/period		
Corporation tax	0	0
Withholding tax	0	0
Prior period adjustment	266	0
Deferred tax (note 7c)	0	0
Total taxation	266	0
Factors affecting taxation charge for the year/period		
Net revenue/(expense) before taxation	8,960	11,348
Corporation tax at 20%	1,792	2,270
Effects of:		
Interest distributions	(1,792)	(2,270)
Prior period adjustment	266	0
Total tax charge (note 7a)	266	0
c) Provision for deferred taxation		
Provision at the start of the year/period	0	0
Deferred tax in profit and loss account (note 7a)	0	0
Provision at the end of the year/period	0	0

The fund has not recognised a deferred tax asset in the current financial year (2025: same).

Financial statements and notes

8 Distributions

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

for the year/period to 31 January	2026		2025	
	Inc £'000	Acc £'000	Inc £'000	Acc £'000
Interest distributions				
First interim	1,759	442	3,630	0
Second interim	1,969	416	3,206	2
Third interim	2,048	473	3,267	2
Fourth interim*	n/a	n/a	1,824	294
Final	1,668	568	1,970	525
Total net distributions		9,343		14,720
Income deducted on cancellation of shares		267		1,109
Income received on issue of shares		(477)		(3,890)
Distributions		9,133		11,939
Net revenue/(expense) per statement of total return		8,694		11,348
Expenses offset against capital		439		591
Distributions		9,133		11,939

* The prior period included an additional fourth interim distribution due to the extended accounting period.

9 Debtors

as at 31 January	2026 £'000	2025 £'000
Amounts receivable on issues of shares	636	195
Currency deals outstanding	0	1,306
Debt security interest receivable	3,326	2,651
Derivative revenue receivable	1	5
Distributions receivable	10	14
Withholding tax recoverable	21	4
Total debtors	3,994	4,175

10 Cash and bank balances

as at 31 January	2026 £'000	2025 £'000
Amounts held at futures clearing houses and collateral manager	1,167	454
Cash held as bank balances	3,761	3,912
Total cash and bank balances	4,928	4,366

Financial statements and notes

11 Other creditors

as at 31 January	2026 £'000	2025 £'000
Amounts payable on cancellation of shares	27	0
Annual charge payable	19	16
Currency deals outstanding	0	1,305
Purchases awaiting settlement	0	1,893
Total other creditors	46	3,214

12 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2025: same).

13 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 14.

Share class	Opening 01.02.25	Issued	Movements		Closing 31.01.26
			Cancelled	Converted	
Sterling					
Class 'A' Income	34,046	8,257	0	0	42,303
Class 'A' Accumulation	9,920	44,856	0	0	54,776
Class 'I' Income	30,222	82,033	(13,339)	0	98,916
Class 'I' Accumulation	187,255	716,058	(288,495)	0	614,818
Class 'L' Income	155,519,936	37,425,967	(19,338,237)	0	173,607,666
Class 'L' Accumulation	43,219,969	41,343,801	(23,231,474)	0	61,332,296
Class 'PP' Income	7,561,169	1,847,139	(305,697)	0	9,102,611
Class 'PP' Accumulation	9,000	0	0	0	9,000
Class 'R' Income	20,374	21,495	(7,990)	0	33,879
Class 'R' Accumulation	88,451	53,440	(3,961)	0	137,930

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.

Financial statements and notes

14 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'	0.85
Class 'I'	0.45
Class 'L'	0.25
Class 'PP'	0.35
Class 'R'	0.70

15 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 8. Amounts due to/from M&G Securities Limited in respect of share transactions at the year end are disclosed in notes 9 and 11 where applicable.

Amounts paid to M&G Securities Limited in respect of the annual charge are disclosed in note 6. Amounts due at the year end in respect of the annual charge are disclosed in note 11.

Amounts paid to M&G Securities Limited in respect of rebate arrangements for the annual charge are disclosed in notes 3 and 5. Amounts due at the year end from the ACD, and/or associate, in respect of these rebates are disclosed in note 9.

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 0.03% (2025: 0.04%) of the fund's shares.

16 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.

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.

Financial statements and notes

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 January	Assets 2026 £'000	Liabilities 2026 £'000	Assets 2025 £'000	Liabilities 2025 £'000
Level 1	35,159	(132)	23,837	(204)
Level 2	210,279	(85)	176,727	(291)
Level 3	0	0	0	0
	245,438	(217)	200,564	(495)

17 Risk management policies

The general risk management policies for the fund are set out in note 3 to the financial statements on pages 12 to 15.

18 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 January 2026 was 200% (2025: 200%).

The lowest, highest and average utilisation of VaR with reference to the limit above, are calculated during the financial years ended 31 January 2026 and 31 January 2025.

for the year/period to 31 January	2026 Utilisation of VaR 200%	2025 Utilisation of VaR 200%
Lowest	47.03	52.56
Highest	57.73	57.01
Average	52.58	54.59

Financial statements and notes

19 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 January	2026 £'000	2025 £'000
Investment grade securities	240,808	196,284
Below investment grade securities	471	472
Unrated securities	979	0
Other investments	2,963	3,313
Total	245,221	200,069

The credit ratings are provided by S&P, followed by Moody's, and finally Fitch.

At the balance sheet date the fund had £1,007,000 of net credit default swap buy protection in investment grade contracts (2025: £2,131,000 net sell protection).

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 January 2026	Swaps £'000	Forwards £'000	Futures £'000
Bank of America Merrill Lynch	0	2,816	(15)
Barclays Bank	11	(1)	0
BNP Paribas	16	0	0
Citigroup	0	181	0
JPMorgan	(11)	(36)	0
State Street Bank	0	3	0
Total	16	2,963	(15)

At the balance sheet date cash collateral of £nil (2025: £4,412,000) and bond collateral of £3,027,000 (2025: £nil) was held by the fund in respect of forward currency contracts.

as at 31 January 2025	Swaps £'000	Forwards £'000	Futures £'000
Bank of America Merrill Lynch	0	393	60
Barclays Bank	79	5	0
BNP Paribas	27	(34)	0
Citigroup	0	36	0
HSBC	0	2,876	0
JPMorgan	(21)	(54)	0
State Street Bank	0	(54)	0
Total	85	3,168	60

Financial statements and notes

20 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 January 2026 and 31 January 2025 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/period to 31 January	2026 £'000	2026 %	2025 £'000	2025 %
Lowest	252,381	121.48	232,027	130.07
Highest	720,656	322.05	785,920	453.27
Average	324,711	150.03	307,792	168.63

21 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	01.02.25	30.04.25	01.05.25	30.06.25
Second interim	01.05.25	31.07.25	01.08.25	30.09.25
Third interim	01.08.25	31.10.25	01.11.25	31.12.25
Final	01.11.25	31.01.26	02.02.26	31.03.26

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 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.

Financial statements and notes

Sterling Class 'A' Income shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	1.1030	0.0000	1.1030	0.1548
Second interim	1.1785	0.0000	1.1785	1.2136
Third interim	1.1430	0.0000	1.1430	1.2513
Fourth interim*	n/a	n/a	n/a	1.2472
Final	0.0000	0.8965	0.8965	1.2185

Sterling Class 'A' Accumulation shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.8140	0.1242	0.9382	0.1272
Second interim	1.0207	0.0000	1.0207	1.0073
Third interim	0.0435	0.9466	0.9901	1.0542
Fourth interim*	n/a	n/a	n/a	1.0636
Final	0.7086	0.1254	0.8340	1.0432

Sterling Class 'I' Income shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.1153	0.9930	1.1083	0.1547
Second interim	0.5838	0.6006	1.1844	1.2141
Third interim	0.3228	0.8253	1.1481	1.2522
Fourth interim*	n/a	n/a	n/a	1.2592
Final	0.9202	0.0748	0.9950	1.2237

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Sterling Class 'I' Accumulation shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.4582	0.5906	1.0488	0.1402
Second interim	0.5043	0.6338	1.1381	1.1073
Third interim	0.5588	0.5524	1.1112	1.1574
Fourth interim*	n/a	n/a	n/a	1.1648
Final	0.3370	0.5935	0.9305	1.1533

Sterling Class 'L' Income shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.5727	0.5199	1.0926	1.7256
Second interim	0.4375	0.7321	1.1696	1.1961
Third interim	0.5741	0.5605	1.1346	1.2353
Fourth interim*	n/a	n/a	n/a	1.2341
Final	0.6714	0.2404	0.9118	1.2063

Sterling Class 'L' Accumulation shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.6400	0.4626	1.1026	0.1464
Second interim	0.5851	0.6103	1.1954	1.1530
Third interim	0.4898	0.6807	1.1705	1.2081
Fourth interim*	n/a	n/a	n/a	1.2214
Final	0.1588	0.7559	0.9147	1.2078

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Sterling Class 'PP' Income shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.5887	0.5199	1.1086	0.1549
Second interim	0.4995	0.6869	1.1864	1.2143
Third interim	0.5074	0.6433	1.1507	1.2553
Fourth interim*	n/a	n/a	n/a	1.2517
Final	0.3954	0.5245	0.9199	1.2244

Sterling Class 'PP' Accumulation shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	1.0704	0.0000	1.0704	0.1429
Second interim	1.1641	0.0000	1.1641	1.1262
Third interim	1.1364	0.0000	1.1364	1.1798
Fourth interim*	n/a	n/a	n/a	1.2006
Final	0.8865	0.0000	0.8865	1.1781

Sterling Class 'R' Income shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.4417	0.6620	1.1037	0.1546
Second interim	0.6417	0.5382	1.1799	1.2142
Third interim	0.2810	0.8634	1.1444	1.2503
Fourth interim*	n/a	n/a	n/a	1.2489
Final	0.8562	0.1100	0.9662	1.2193

Financial statements and notes

Sterling Class 'R' Accumulation shares

Interest distributions for the year/period to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.2588	0.7215	0.9803	0.1319
Second interim	0.5810	0.4856	1.0666	1.0446
Third interim	0.7973	0.2403	1.0376	1.0928
Fourth interim*	n/a	n/a	n/a	1.0974
Final	0.2489	0.5807	0.8296	1.0850

* The prior period included an additional fourth interim distribution due to the extended accounting period.

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 April 2025 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 that of the MSCI Emerging Markets Index over any five-year period.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity-related securities of companies across any sector and market capitalisation that are incorporated, domiciled or do most of their business in emerging market countries.

The fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a bottom-up stock picking approach to identify companies whose long-term prospects are, in the fund manager's opinion, being undervalued.

The fund's approach incorporates three elements: return on capital, valuations and corporate governance.

It is the core belief of the fund manager that company-specific factors, in particular their profitability (which is measured in terms of return on capital), drive share prices over the long run.

The fund's country and sector exposure is not influenced by top-down views.

Benchmark

MSCI Emerging Markets Index

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. The fund's holdings may deviate significantly from the benchmark's constituents.

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.

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 12 to 15.

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.

Authorised Corporate Director's Report

Investment review

For the year ended 31 January 2026

Performance against objective

Over the reporting period the fund delivered strong returns in the year and significantly outperformed its benchmark, the MSCI Emerging Markets Index, which returned 30.1% over the same period.

Over five years, the fund has achieved its objective, which is to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than the average of the MSCI Emerging Markets Index over any five-year period, which returned 5.8% pa.

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

Emerging market (EM) equities recorded strong gains in the review period. In Asia, better performing markets included South Korea and Taiwan reflecting the high weighting of technology stocks in both markets. South Korea's equity market ranked among the best performers in the last year, supported by the strong artificial intelligence (AI)-driven trade, the positive wealth effect flowing into Korean 'K-Culture' and the 'Value Up' programme – a significant, ongoing corporate governance reform. The region's largest market, China, underperformed the benchmark despite a strong start to the year. Of the other larger markets, India was amongst the most notable laggard as underwhelming earnings, compared to recent history, and a weakening Indian rupee weighed on sentiment.

In the Europe, Middle East and Africa (EMEA) region, markets in South Africa and Poland performed strongly, both benefiting from interest rate cuts. Conversely, the Saudi Arabian stock market was weak as pressure from the oil price impacted the bigger names in the index.

The two largest markets in Latin America, Brazil and Mexico, recorded good gains. Towards the end of the year 2025, the Bank of Mexico delivered another rate

cut down to 7%. The move was the eighth successive easing of monetary policy in 2025.

Relative fund performance was aided by our below benchmark (underweight) position in India as the market faltered. Our above benchmark (overweight) allocation and stockpicking in South Korea also added value largely through positions in SK Hynix and Samsung Electronics. On the other hand, unfavourable stockpicking in South Africa detracted.

In terms of individual names, key contributors to the fund's relative performance included Samsung Electronics, Silicon Motion Technology and Hyundai Motor.

Samsung Electronics benefitted from rising memory chip sales, focus on premium smartphones and AI integration. We see further upside potential in Samsung Electronics, as we believe it remains attractively valued relative to other technology companies.

Conversely, key detractors included Kosmos Energy, JD.com and Raizen.

We decided to fully exit our position in JD.com. Rising competition, slowing growth and a weak consumer backdrop increased the risks. Furthermore the decision to invest in food delivery, in a crowded and competitive market, further reduced our confidence in the company.

Raizen, Brazil's largest sugar and ethanol producer, was affected by commodity price volatility and concerns around energy demands.

Kosmos Energy underperformed due to disappointing results.

Investment activities

We were active during the review period and began several new positions. We added Crystal International, Contemporary Amperex Technology (CATL), Chailease, Lojas Renner, Arcelik, BDO Unibank, Globant, Maynilad Water Services and Halyk Savings Bank to the portfolio among others.

Crystal International is in our view, an overlooked small-cap company and one of the world's largest garment manufacturers, with a long operational history, a broad

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Asian production footprint, and strong relationships with global apparel brands driven by its focus on sustainable manufacturing. The global textile industry is shrinking, as big brands focus on cost, speed, and sustainability, leaving the largest and most capable manufacturers to win more business.

CATL enjoys a dominant position as one of the world's largest electric vehicles (EV) battery manufacturers. The company's robust financial performance and aggressive global expansion, including major investments in Europe and partnerships with leading automakers positions it to benefit from the accelerating global shift toward electrification. We view the company as highly profitable.

Chailease, based in Taipei, is a diversified financial services provider primarily serving Small and Medium-sized Enterprises (SMEs) across Taiwan, China, and Association of Southeast Asian Nations (ASEAN) countries. The company offers leasing, instalment sales, factoring, and direct financing solutions, while also operating in insurance brokerage, solar power investments, and gasoline wholesale, contributing to revenue diversification.

Brazil's leading apparel retailer, Lojas Renner, has seen its valuation fall as competition increased and heavy investment weighed on returns. Market valuation suggests Renner's returns will not recover; we see this as overly pessimistic and we believe we will see improvements.

Turkey's leading home appliances manufacturer, Arcelik, saw a sharp decline driven by weak cash generation and heavy expansion. However we see benefits of scale in its acquisition of Whirlpool and believe the company returns will improve when Turkey's macro-economic outlook stabilises.

We like BDO Unibank because it earns strong, sustainable profits compared with peers, has a solid balance sheet, and still trades at a relatively cheap price, leaving room, in our opinion, for the share price to rise if performance continues.

Maynilad Water Services is an integrated private utility that provides potable water distribution and wastewater (sewerage and sanitation) services. The company came to market in October and we chose to participate in the IPO given, what we perceive to be, an attractive valuation.

Globant is an IT services company capturing the increasing trend of businesses outsourcing IT services. Despite some competition the company benefits from differentiated services and sticky client relationships. The share price has fallen as earlier AI-driven optimism faded and growth expectations reset, but we believe returns can stabilise at current levels, supported by ongoing expansion and a more attractive valuation.

Halyk Savings Bank is Kazakhstan's leading bank, with strong customer relationships, a wide range of financial services, and a highly digital platform that supports very high profitability. Despite earning returns well above peers, the shares look cheap in our opinion, suggesting upside as economic and regulatory conditions in Kazakhstan continue to improve.

Conversely, we exited our positions in JD.com, GF Securities, Horizon Construction, SK Square, Hyundai Mobis and SK Hynix among others.

We purchased GF Securities over a year ago as the valuation was very attractive, the share price rose sharply, and we sold, deciding to take our profits.

We received a very small position in Horizon Construction, as a result of the spin out of the business by Far East Horizon. Given the size and lack of conviction in the standalone business, we exited the position.

We sold SK Square in October on valuation concerns.

We sold out of Hyundai Mobis because we no longer believe it can generate enough cash to justify the capital invested, and we believe recent spending and internal changes are unlikely to materially improve returns.

We sold SK Hynix, which has been a core holding for a number of years, as rising competition and rising prices

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in memory chips, increase the risk that profits will fall from their current highs in a highly cyclical industry.

Outlook

Despite ongoing geopolitical tensions and market volatility, 2025 was a standout year for (EM) equities. For the first time in many years, EMs clearly outperformed US equities, which is important for global investors after a long period of underperformance. Since the global financial crisis, EM equities have suffered from weak earnings, high volatility and little overall progress, while US markets surged. This led to capital leaving EMs and valuations falling. The big question now is whether 2025 marks a real turning point or just a short-lived rebound.

Earnings growth last year was strong in Korea and Taiwan, but gains elsewhere were mainly driven by higher valuations rather than profits. Markets usually need earnings growth to sustain rallies, so expectations are now high. Looking ahead, analyst forecasts show EM earnings growth running at about twice the rate of other asset classes. If EM returns on equity continue to improve, the gap with the US could narrow, especially as US margins face pressure from heavy AI investment. We believe this could support EM equities over several years.

At a country level, Brazil, Indonesia and South Africa look particularly attractive. Brazil has strong corporate fundamentals. In Indonesia, regulatory changes and exchange reforms have reduced downgrade risks and created appealing entry points. South Africa offers improving valuations and earnings potential, supported by easing power shortages and a recovery from a low growth base. More broadly, EMs are no longer as fragile as old stereotypes suggest. Growth of just over 4% in 2025–26, compared with around 1.5% in developed markets, highlights their long-term advantage. With US exceptionalism fading and market concentration risks rising, we believe EM equities offer diversification, attractive valuations and a wide range of opportunities

for active investors. While crises will continue, shifting correlations across countries and sectors create valuable chances to manage risk and enhance returns.

Michael Bourke

Fund manager

An employee of M&G FA Limited which is an associate of M&G Securities Limited.

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 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities	1,375,861	97.15	100.16
Argentina	7,939	0.56	0.00
669,551 Loma Negra Cia Industrial Argentina SA ADR	7,939	0.56	
Australia	10,578	0.75	0.11
3,287,865 Bannerman Energy Ltd.	10,578	0.75	
Bermuda	15,193	1.07	2.35
4,932,652 First Pacific Co. Ltd.	3,851	0.27	
9,072,000 Kunlun Energy Co. Ltd.	9,282	0.65	
263,700 VTech Holdings Ltd.	2,060	0.15	
Brazil	173,925	12.28	11.57
225,108 Axia Energia	2,361	0.17	
904,659 Axia Energia Preference Shares B Class	10,001	0.71	
296,945 Axia Energia Preference Shares C Class	3,027	0.21	
2,626,826 Banco Bradesco SA	9,271	0.65	
927,767 Banco Bradesco SA Preference Shares	3,811	0.27	
3,310,529 Banco do Brasil SA	16,134	1.14	
2,162,784 Braskem SA Preference Shares	3,927	0.28	
4,119,188 Brava Energia	15,003	1.06	
1,442,809 Localiza Rent a Car SA	13,299	0.94	
55,492 Localiza Rent a Car SA Preference Shares	495	0.03	
5,040,559 Lojas Renner SA	14,733	1.04	
4,578,040 Motiva Infraestrutura de Mobilidade SA	14,633	1.03	
8,671,522 MRV Engenharia e Participacoes SA	13,396	0.95	
1,423,113 PRIO SA	14,048	0.99	
25,318,633 Raizen SA Preference Shares	4,964	0.35	
1,164,423 TIM SA	5,564	0.39	
1,743,532 Vale SA	29,258	2.07	
Canada	26,373	1.86	2.57
12,664,459 PetroTal Corp. ^a	3,745	0.26	
402,705 Teck Resources Ltd.	22,628	1.60	
Cayman Islands	177,937	12.56	12.16
1,169,180 Alibaba Group Holding Ltd.	25,374	1.79	
122,397 Alibaba Group Holding Ltd. ADR	21,276	1.50	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities (continued)			
Cayman Islands (continued)			
235,205 Atour Lifestyle Holdings Ltd. ADR	8,680	0.61	
463,108 Autohome, Inc.	2,651	0.19	
164,160 Autohome, Inc. ADR	3,757	0.27	
449,166 Baidu, Inc.	8,821	0.62	
56,141 Baidu, Inc. ADR	8,726	0.62	
2,795,860 Chailease Holding Co. Ltd.	9,240	0.65	
9,903,000 China Yongda Automobiles Services Holdings Ltd.	1,981	0.14	
10,607,500 Crystal International Group Ltd.	9,997	0.71	
1,430,741 DiDi Global, Inc. ADR	6,656	0.47	
1,789,825 HUTCHMED China Ltd. ^a	5,378	0.38	
201,468 HUTCHMED China Ltd. ADR	3,042	0.21	
5,847,284 JINGDONG Industrials, Inc.	9,278	0.66	
1,616,282 KE Holdings, Inc.	10,402	0.73	
456,347 KE Holdings, Inc. ADR	8,687	0.61	
57,231 Sea Ltd. ADR	6,960	0.49	
74,798 Silicon Motion Technology Corp. ADR	8,724	0.62	
120,836 Trip.com Group Ltd.	7,476	0.53	
175,566 Trip.com Group Ltd. ADR	10,831	0.76	
China	73,510	5.19	9.49
665,600 BYD Co. Ltd.	8,349	0.59	
15,400,000 China Communications Services Corp. Ltd.	9,341	0.66	
6,031,300 China Tower Corp. Ltd.	8,689	0.61	
321,368 Contemporary Amperex Technology Co. Ltd.	16,261	1.15	
3,080,800 Jiangsu Zhongtian Technology Co. Ltd.	9,929	0.70	
2,241,500 Ping An Insurance Group Co. of China Ltd.	20,941	1.48	
Colombia	0	0.00	1.40
Egypt	16,964	1.20	0.99
6,474,951 Commercial International Bank - Egypt (CIB) GDR	16,964	1.20	
Guernsey	1,516	0.11	0.26
17,329,793 Grit Real Estate Income Group Ltd.	1,516	0.11	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities (continued)			
Hong Kong			
2,573,200 AIA Group Ltd.	29,892	2.11	
3,005,500 China Resources Beer Holdings Co. Ltd.	10,132	0.72	
13,829,000 Far East Horizon Ltd.	13,781	0.97	
37,597,000 Sun Art Retail Group Ltd.	7,381	0.52	
India			
1,311,320 Axis Bank Ltd.	19,473	1.37	
2,549,139 HDFC Bank Ltd.	25,740	1.82	
Indonesia			
73,694,800 Bank Mandiri Persero Tbk. PT	21,118	1.49	
64,108,100 Bank Rakyat Indonesia Persero Tbk. PT	14,552	1.03	
116,824,700 Ciputra Development Tbk. PT	5,742	0.41	
13,839,900 Indofood Sukses Makmur Tbk. PT	5,586	0.39	
31,761,600 Jasa Marga Persero Tbk. PT	6,737	0.48	
254,599,100 Pakuwon Jati Tbk. PT	5,430	0.38	
68,181,600 Telkom Indonesia Persero Tbk. PT	14,624	1.03	
Kazakhstan			
1,432,679 Air Astana JSC GDR	9,799	0.69	
400,427 Halyk Savings Bank of Kazakhstan JSC GDR	13,074	0.93	
Luxembourg			
109,262 Globant SA	7,179	0.51	
Mexico			
16,724,951 Alpek SAB de CV	8,580	0.61	
10,699,349 Fibra Uno Administracion SA de CV	17,864	1.26	
15,145,649 Orbia Advance Corp. SAB de CV	16,534	1.17	
11,267,962 Sigma Foods SAB de CV	11,411	0.80	
Netherlands			
1,065,086 Prosus NV	62,736	4.43	
Panama			
957,356 Davivienda Group SA Preference Shares	8,283	0.58	
Peru			
	0	0.00	0.49

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities (continued)			
Philippines			
3,024,090 BDO Unibank, Inc.	6,934	0.49	
1,279,653 GT Capital Holdings, Inc.	14,463	1.02	
27,034,642 Maynilad Water Services, Inc.	8,310	0.59	
Russia			
211,733 LUKOIL PJSC ^b	0	0.00	0.00
331,615 Novatek PJSC ^b	0	0.00	
3,426,524 Sberbank of Russia PJSC ^b	0	0.00	
Saudi Arabia			
0			
0.00			
0.67			
South Africa			
84,437			
5.96			
3.59			
2,308,535 Absa Group Ltd.	37,185	2.63	
279,441 Kumba Iron Ore Ltd.	6,277	0.44	
2,634,209 Motus Holdings Ltd.	21,074	1.49	
1,698,484 SPAR Group Ltd.	9,545	0.67	
2,710,327 Truworths International Ltd.	10,356	0.73	
South Korea			
193,930			
13.69			
12.94			
135,950 Hana Financial Group, Inc.	9,482	0.67	
22,881 Hyundai Motor Co. 2nd Preference Shares	4,324	0.31	
106,099 Hyundai Motor Co. Preference Shares	19,612	1.38	
94,322 Samsung Electro-Mechanics Co. Ltd.	18,376	1.30	
533,845 Samsung Electronics Co. Ltd.	59,770	4.22	
468,827 Samsung Electronics Co. Ltd. Preference Shares	38,398	2.71	
17,100 Samsung Fire & Marine Insurance Co. Ltd.	5,942	0.42	
22,913 Samsung Fire & Marine Insurance Co. Ltd. Preference Shares	5,975	0.42	
58,762 Samsung Life Insurance Co. Ltd.	7,712	0.54	
415,470 Shinhan Financial Group Co. Ltd.	24,339	1.72	
Switzerland			
17,367			
1.23			
2.24			
33,117 BeOne Medicines Ltd. ADR	11,584	0.82	
817,953 Lithium Argentina AG	5,783	0.41	
Taiwan			
116,085			
8.20			
5.56			
329,000 Nien Made Enterprise Co. Ltd.	4,464	0.32	
1,979,000 Taiwan Semiconductor Manufacturing Co. Ltd.	111,621	7.88	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities (continued)			
Thailand			
3,099,900 Bangkok Bank PCL	15,517	1.10	
5,039,000 Thai Oil PCL	6,806	0.48	
Türkiye			
3,166,244 Arcelik AS	8,320	0.59	
701,676 Turk Hava Yollari AO	4,883	0.34	
United Kingdom			
485,562 Energean PLC	5,647	0.40	
1,539,420 Inchcape PLC	17,362	1.23	
186,826 Prudential PLC (HK listing)	3,098	0.22	
616,988 Prudential PLC (UK listing)	10,241	0.72	
1,333,268 ReNew Energy Global PLC	7,233	0.51	
United States			
5,609,883 Kosmos Energy Ltd.	9,090	0.64	
Vietnam			
3,025,217 Techcom Securities JSC	6,555	0.46	
Derivatives			
Forwards for share class hedging			
Bought GBP3,544,464 for USD4,770,266 Settlement 04/02/2026	114	0.01	
Sold GBP20,607 for USD27,782 Settlement 04/02/2026	(1)	0.00	
Total portfolio	1,375,974	97.16	100.16
Net other assets/(liabilities)	40,222	2.84	(0.16)
Net assets attributable to shareholders	1,416,196	100.00	100.00

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

The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

^a AIM quoted.

^b M&G's Valuation Sub Committee are valuing these securities at \$nil.

Portfolio statement

Top ten portfolio transactions for the year to 31 January 2026

Largest purchases	\$'000
Taiwan Semiconductor Manufacturing Co. Ltd.	24,598
Bank Mandiri Persero Tbk. PT	16,532
Contemporary Amperex Technology Co. Ltd.	16,193
Lojas Renner SA	13,833
Chailease Holding Co. Ltd.	11,532
Trip.com Group Ltd. ADR	11,429
JINGDONG Industrials, Inc.	10,702
Truworths International Ltd.	10,412
PRIO SA	10,210
Arcelik AS	9,835
Other purchases	358,122
Total purchases	493,398

Largest sales	\$'000
Alibaba Group Holding Ltd. ADR	29,318
Hyundai Motor Co.	22,838
SK Hynix, Inc.	18,129
JD.com, Inc. ADR	17,713
SK Square Co. Ltd.	16,907
BYD Co. Ltd.	14,131
Anglo American PLC	13,431
BeOne Medicines Ltd. ADR	12,006
Silicon Motion Technology Corp. ADR	11,492
Sigma Foods SAB de CV	10,369
Other sales	216,690
Total sales	383,024

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 and shown as net of operating charge. 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	+36.3	+14.8	+12.0	+12.3
Class 'A' Accumulation	+36.4	+14.9	+12.0	+12.3
Class 'I' Income	+36.9	+15.3	+12.4	+12.9
Class 'I' Accumulation	+36.9	+15.3	+12.4	+12.9
Class 'I-H' Income	+50.6	+18.5	+11.2	n/a
Class 'I-H' Accumulation	+50.3	+18.5	+11.2	n/a
Class 'PP' Income	+37.0	+15.4	+12.6	n/a
Class 'PP' Accumulation	+37.1	+15.4	+12.6	n/a
Class 'PP-H' Income	+50.6	+18.6	+11.3	n/a
Class 'PP-H' Accumulation	+50.5	+18.7	+11.3	n/a
Class 'R' Income	+36.5	+15.0	+12.2	+12.6
Class 'R' Accumulation	+36.6	+15.0	+12.2	+12.6
Benchmark	+30.1	+13.2	+5.8	+10.9

^a Not annualised.

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 period 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 5 February 2009.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	291.83	259.61	279.76
Return before operating charges*	109.62	45.48	(7.98)
Operating charges	(3.73)	(3.34)	(3.13)
Return after operating charges*	105.89	42.14	(11.11)
Distributions	(10.12)	(9.92)	(9.04)
Closing NAV	387.60	291.83	259.61
*after direct transaction cost of	0.35	0.47	0.37
Performance			
Return after charges (%)	36.28	16.23	(3.97)
Other information			
Closing NAV (\$'000)	125,325	85,375	77,900
Number of shares	23,465,310	23,572,824	23,653,530
Operating charges (%)	1.15	1.15	1.15
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	401.44	321.27	287.15
Lowest share price (UK p)	257.72	264.54	258.72

Sterling Class 'A' Accumulation shares

The share class was launched on 5 February 2009.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	398.28	342.82	357.19
Return before operating charges*	150.12	59.86	(10.38)
Operating charges	(5.10)	(4.40)	(3.99)
Return after operating charges*	145.02	55.46	(14.37)
Distributions	(8.91)	(8.55)	(7.61)
Retained distributions	8.91	8.55	7.61
Closing NAV	543.30	398.28	342.82
*after direct transaction cost of	0.48	0.62	0.48
Performance			
Return after charges (%)	36.41	16.18	(4.02)
Other information			
Closing NAV (\$'000)	568,669	367,626	325,276
Number of shares	75,960,229	74,373,861	74,793,591
Operating charges (%)	1.15	1.15	1.15
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	548.38	424.06	366.40
Lowest share price (UK p)	352.06	349.17	330.12

Financial highlights

Sterling Class 'I' Income shares

The share class was launched on 5 February 2009.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	305.87	270.99	290.84
Return before operating charges*	115.16	47.49	(8.32)
Operating charges	(2.51)	(2.24)	(2.12)
Return after operating charges*	112.65	45.25	(10.44)
Distributions	(10.63)	(10.37)	(9.41)
Closing NAV	407.89	305.87	270.99
*after direct transaction cost of	0.36	0.48	0.39
Performance			
Return after charges (%)	36.83	16.70	(3.59)
Other information			
Closing NAV (\$'000)	19,322	15,877	46,073
Number of shares	3,437,711	4,182,628	13,402,140
Operating charges (%)	0.75	0.75	0.75
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	422.43	336.27	298.55
Lowest share price (UK p)	270.32	276.14	269.10

Sterling Class 'I' Accumulation shares

The share class was launched on 5 February 2009.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	440.89	377.98	392.27
Return before operating charges*	166.62	66.07	(11.43)
Operating charges	(3.69)	(3.16)	(2.86)
Return after operating charges*	162.93	62.91	(14.29)
Distributions	(11.78)	(11.18)	(9.87)
Retained distributions	11.78	11.18	9.87
Closing NAV	603.82	440.89	377.98
*after direct transaction cost of	0.53	0.68	0.53
Performance			
Return after charges (%)	36.95	16.64	(3.64)
Other information			
Closing NAV (\$'000)	343,793	214,513	238,843
Number of shares	41,319,467	39,203,900	49,810,691
Operating charges (%)	0.75	0.75	0.75
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	609.46	468.83	402.41
Lowest share price (UK p)	390.01	384.99	362.72

Financial highlights

Sterling Class 'I-H' Income shares

The share class was launched on 6 December 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	101.53	92.83	97.73
Return before operating charges*	52.16	12.95	(0.93)
Operating charges	(0.95)	(0.81)	(0.75)
Return after operating charges*	51.21	12.14	(1.68)
Distributions	(3.83)	(3.44)	(3.22)
Closing NAV	148.91	101.53	92.83
*after direct transaction cost of	0.13	0.17	0.13
Performance			
Return after charges (%)	50.44	13.08	(1.72)
Other information			
Closing NAV (\$'000)	144	75	78
Number of shares	70,317	59,242	66,040
Operating charges (%)	0.78	0.78	0.78
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	154.28	117.62	102.87
Lowest share price (UK p)	92.72	94.30	89.19

Sterling Class 'I-H' Accumulation shares

The share class was launched on 6 December 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	123.40	109.00	110.91
Return before operating charges*	63.21	15.35	(1.06)
Operating charges	(1.15)	(0.95)	(0.85)
Return after operating charges*	62.06	14.40	(1.91)
Distributions	(3.52)	(3.09)	(2.81)
Retained distributions	3.52	3.09	2.81
Closing NAV	185.46	123.40	109.00
*after direct transaction cost of	0.16	0.20	0.15
Performance			
Return after charges (%)	50.29	13.21	(1.72)
Other information			
Closing NAV (\$'000)	4,816	2,728	1,219
Number of shares	1,884,343	1,781,743	881,374
Operating charges (%)	0.78	0.78	0.78
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	187.33	138.27	116.67
Lowest share price (UK p)	112.69	110.71	101.29

Financial highlights

Sterling Class 'PP' Income shares

The share class was launched on 5 August 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	112.31	99.40	106.57
Return before operating charges*	42.35	17.44	(3.05)
Operating charges	(0.84)	(0.73)	(0.67)
Return after operating charges*	41.51	16.71	(3.72)
Distributions	(3.90)	(3.80)	(3.45)
Closing NAV	149.92	112.31	99.40
*after direct transaction cost of	0.14	0.18	0.14
Performance			
Return after charges (%)	36.96	16.81	(3.49)
Other information			
Closing NAV (\$'000)	152,932	46,571	539
Number of shares	74,028,384	33,413,371	427,891
Operating charges (%)	0.65	0.65	0.65
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	155.26	123.43	109.40
Lowest share price (UK p)	99.27	101.29	98.62

Sterling Class 'PP' Accumulation shares

The share class was launched on 8 April 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	136.86	117.22	121.52
Return before operating charges*	51.77	20.50	(3.53)
Operating charges	(1.01)	(0.86)	(0.77)
Return after operating charges*	50.76	19.64	(4.30)
Distributions	(3.80)	(3.60)	(3.17)
Retained distributions	3.80	3.60	3.17
Closing NAV	187.62	136.86	117.22
*after direct transaction cost of	0.17	0.21	0.16
Performance			
Return after charges (%)	37.09	16.75	(3.54)
Other information			
Closing NAV (\$'000)	194,855	90,529	57,250
Number of shares	75,369,908	53,299,324	38,501,828
Operating charges (%)	0.65	0.65	0.65
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	189.38	145.49	124.67
Lowest share price (UK p)	121.09	119.39	112.39

Financial highlights

Sterling Class 'PP-H' Income shares

The share class was launched on 6 December 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	103.36	94.26	99.28
Return before operating charges*	52.98	13.31	(1.09)
Operating charges	(0.83)	(0.71)	(0.66)
Return after operating charges*	52.15	12.60	(1.75)
Distributions	(3.89)	(3.50)	(3.27)
Closing NAV	151.62	103.36	94.26
*after direct transaction cost of	0.13	0.17	0.13
Performance			
Return after charges (%)	50.45	13.37	(1.76)
Other information			
Closing NAV (\$'000)	19	12	22
Number of shares	9,000	9,000	18,150
Operating charges (%)	0.68	0.68	0.68
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	157.08	119.70	104.36
Lowest share price (UK p)	94.40	95.77	90.62

Sterling Class 'PP-H' Accumulation shares

The share class was launched on 6 December 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	122.90	108.52	110.22
Return before operating charges*	63.06	15.20	(0.97)
Operating charges	(0.99)	(0.82)	(0.73)
Return after operating charges*	62.07	14.38	(1.70)
Distributions	(3.65)	(3.20)	(2.90)
Retained distributions	3.65	3.20	2.90
Closing NAV	184.97	122.90	108.52
*after direct transaction cost of	0.16	0.19	0.15
Performance			
Return after charges (%)	50.50	13.25	(1.54)
Other information			
Closing NAV (\$'000)	21	12	25
Number of shares	8,000	8,000	18,100
Operating charges (%)	0.68	0.68	0.68
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	186.83	137.69	116.09
Lowest share price (UK p)	112.28	110.23	100.68

Financial highlights

Sterling Class 'R' Income shares

The share class was launched on 3 August 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	154.14	136.91	147.32
Return before operating charges*	57.97	23.99	(4.21)
Operating charges	(1.72)	(1.53)	(1.44)
Return after operating charges*	56.25	22.46	(5.65)
Distributions	(5.35)	(5.23)	(4.76)
Closing NAV	205.04	154.14	136.91
*after direct transaction cost of	0.18	0.25	0.20
Performance			
Return after charges (%)	36.49	16.40	(3.84)
Other information			
Closing NAV (\$'000)	652	411	532
Number of shares	230,698	215,027	306,093
Operating charges (%)	1.00	1.00	1.00
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	212.36	169.61	151.22
Lowest share price (UK p)	136.17	139.52	136.27

Sterling Class 'R' Accumulation shares

The share class was launched on 3 August 2012.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	210.67	181.06	188.36
Return before operating charges*	79.47	31.63	(5.47)
Operating charges	(2.34)	(2.02)	(1.83)
Return after operating charges*	77.13	29.61	(7.30)
Distributions	(5.06)	(4.83)	(4.28)
Retained distributions	5.06	4.83	4.28
Closing NAV	287.80	210.67	181.06
*after direct transaction cost of	0.25	0.33	0.25
Performance			
Return after charges (%)	36.61	16.35	(3.88)
Other information			
Closing NAV (\$'000)	5,648	3,795	3,633
Number of shares	1,424,246	1,451,381	1,581,646
Operating charges (%)	1.00	1.00	1.00
Direct transaction costs (%)	0.11	0.17	0.14
Prices			
Highest share price (UK p)	290.49	224.20	193.23
Lowest share price (UK p)	186.27	184.41	174.12

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Statement of total return

for the year to 31 January	Note	2026		2025	
		\$'000	\$'000	\$'000	\$'000
Income					
Net capital gains/(losses)	3		436,986		81,679
Revenue	5	36,253		29,435	
Expenses	6	(9,855)		(7,802)	
Interest payable and similar charges		0		(16)	
Net revenue/(expense) before taxation		26,398		21,617	
Taxation	7	(3,688)		(2,679)	
Net revenue/(expense) after taxation			22,710		18,938
Total return before distributions			459,696		100,617
Distributions	8		(25,579)		(20,508)
Change in net assets attributable to shareholders from investment activities			434,117		80,109

Statement of change in net assets attributable to shareholders

for the year to 31 January	2026		2025	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		827,524		751,390
Amounts received on issue of shares	237,558		119,003	
Amounts paid on cancellation of shares	(103,424)		(139,121)	
		134,134		(20,118)
Dilution adjustments		247		269
Change in net assets attributable to shareholders from investment activities (see above)		434,117		80,109
Retained distributions on Accumulation shares		20,174		15,874
Closing net assets attributable to shareholders		1,416,196		827,524

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Balance sheet

as at 31 January	Note	2026 \$'000	2025 \$'000
Assets			
Fixed assets			
Investments		1,375,975	828,859
Current assets			
Debtors	9	13,962	3,153
Cash and bank balances	10	1,378	1,681
Cash equivalents		49,160	32
Total assets		1,440,475	833,725
Liabilities			
Investment liabilities		(1)	(22)
Creditors			
Bank overdrafts		(5,151)	0
Distribution payable		(7,778)	(5,034)
Other creditors	11	(10,407)	(797)
Deferred tax provision	7	(942)	(348)
Total liabilities		(24,279)	(6,201)
Net assets attributable to shareholders		1,416,196	827,524

Financial statements and notes

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with the 'Summary of significant accounting policies' set out on pages 9 to 12.

2 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.

3 Net capital gains/(losses)

for the year to 31 January	2026 \$'000	2025 \$'000
Non-derivative securities	437,222	82,284
Derivative contracts	324	(78)
Currency gains/(losses)	(560)	(527)
Net capital gains/(losses)	436,986	81,679

Financial statements and notes

4 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' within 'Notes to the financial statements' on pages 11 and 12. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year to 31 January	2026 \$'000	% of transaction	2025 \$'000	% of transaction
a) Purchases				
Equities				
Equities before transaction costs	490,530		431,865	
Commissions	465	0.09	290	0.07
Taxes and other fees	244	0.05	379	0.09
Equities after transaction costs	491,239		432,534	
Collective investment schemes	2,159		0	
Total purchases after transaction costs	493,398		432,534	
b) Sales				
Equities				
Equities before transaction costs	380,962		435,393	
Commissions	(172)	0.05	(249)	0.06
Taxes and other fees	(246)	0.06	(398)	0.09
Equities after transaction costs	380,544		434,746	
Collective investment schemes	2,151		0	
Other transaction types				
Corporate actions	329		0	
Total sales after transaction costs	383,024		434,746	
	2026 \$'000	% of average NAV	2025 \$'000	% of average NAV
c) Direct portfolio transaction costs				
Commissions paid				
Equities	637	0.06	539	0.07
Taxes and other fees paid				
Equities	490	0.05	777	0.10
Total direct portfolio transaction costs	1,127	0.11	1,316	0.17
		%		%
d) Indirect portfolio transaction costs				
Average portfolio dealing spread as at the balance sheet date		0.27		0.30

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5 Revenue

for the year to 31 January	2026 \$'000	2025 \$'000
Bank interest	19	19
Dividends from equity investments: non-taxable	30,104	25,708
Dividends from equity investments: taxable	3,426	1,789
Interest distributions	1,609	404
Property distribution: taxable	1,065	1,427
Rebate of ongoing charges from underlying funds	30	6
Stock dividends	0	82
Total revenue	36,253	29,435

6 Expenses

for the year to 31 January	2026 \$'000	2025 \$'000
Payable to the ACD or associate		
Annual charge	9,855	7,802
Total expenses	9,855	7,802

Audit fees for the financial year ending 2026 were £12,000 (2025: £12,000) (including VAT), which are covered by the annual charge.

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7 Taxation

for the year to 31 January	2026 \$'000	2025 \$'000
a) Analysis of charge in the year		
Corporation tax	0	0
Withholding tax	3,041	2,432
Capital gains tax (India)	335	134
Capital gains tax refund (India)	(282)	0
Deferred tax provision on capital gains tax (India) (note 7c)	594	113
Total taxation	3,688	2,679
b) Factors affecting taxation charge for the year		
Net revenue/(expense) before taxation	26,398	21,617
Corporation tax at 20%	5,280	4,323
Effects of:		
Revenue: non-taxable	(6,021)	(5,142)
Stock dividends: non-taxable	0	(16)
Current year expenses not utilised	873	926
Withholding tax	3,041	2,432
Withholding tax expensed	(132)	(91)
Capital gains tax (India)	929	247
Capital gains tax refund (India)	(282)	0
Total tax charge (note 7a)	3,688	2,679
c) Provision for deferred taxation		
Provision at the start of the year	348	235
Deferred tax in profit and loss account (note 7a)	594	113
Provision at the end of the year	942	348

The fund has not recognised a deferred tax asset of \$37,174,000 (2025: \$36,301,000) arising as a result of having excess management expenses. We do not expect this asset to be utilised in the foreseeable future.

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8 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 January	2026		2025	
	Inc \$'000	Acc \$'000	Inc \$'000	Acc \$'000
Dividend distributions				
Final	7,778	20,174	5,034	15,874
Total net distributions		27,952		20,908
Income deducted on cancellation of shares		1,598		1,426
Income received on issue of shares		(3,971)		(1,826)
Distributions		25,579		20,508
Net revenue/(expense) per statement of total return		22,710		18,938
Expenses offset against capital		1,940		1,405
Stock dividends not distributed		0		(82)
Capital gains tax offset against capital		929		247
Distributions		25,579		20,508

9 Debtors

as at 31 January	2026 \$'000	2025 \$'000
Amounts receivable on issues of shares	2,060	572
Currency deals outstanding	5,132	137
Distributions receivable	121	11
Dividends receivable	2,680	745
Sales awaiting settlement	3,969	1,628
Withholding tax recoverable	0	60
Total debtors	13,962	3,153

10 Cash and bank balances

as at 31 January	2026 \$'000	2025 \$'000
Cash held as bank balances	1,378	1,681
Total cash and bank balances	1,378	1,681

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11 Other creditors

as at 31 January	2026 \$'000	2025 \$'000
Amounts payable on cancellation of shares	1,007	92
Annual charge payable	164	73
Currency deals outstanding	5,117	137
Purchases awaiting settlement	4,119	495
Total other creditors	10,407	797

12 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2025: same).

13 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 14.

Share class	Opening 01.02.25	Movements			Closing 31.01.26
		Issued	Cancelled	Converted	
Sterling					
Class 'A' Income	23,572,824	66,489	(174,003)	0	23,465,310
Class 'A' Accumulation	74,373,861	2,503,310	(916,942)	0	75,960,229
Class 'I' Income	4,182,628	9,314,561	(10,059,478)	0	3,437,711
Class 'I' Accumulation	39,203,900	7,108,986	(4,993,419)	0	41,319,467
Class 'I-H' Income	59,242	11,912	(837)	0	70,317
Class 'I-H' Accumulation	1,781,743	411,615	(309,015)	0	1,884,343
Class 'PP' Income	33,413,371	44,645,493	(4,030,480)	0	74,028,384
Class 'PP' Accumulation	53,299,324	28,898,588	(6,828,004)	0	75,369,908
Class 'PP-H' Income	9,000	0	0	0	9,000
Class 'PP-H' Accumulation	8,000	0	0	0	8,000
Class 'R' Income	215,027	38,329	(22,658)	0	230,698
Class 'R' Accumulation	1,451,381	166,627	(193,762)	0	1,424,246

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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14 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'	1.15
Class 'I'	0.75
Class 'I-H'	0.78
Class 'PP'	0.65
Class 'PP-H'	0.68
Class 'R'	1.00

15 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 8. Amounts due to/from M&G Securities Limited in respect of share transactions at the year end are disclosed in notes 9 and 11 where applicable.

Amounts paid to M&G Securities Limited in respect of the annual charge are disclosed in note 6. Amounts due at the year end in respect of the annual charge are disclosed in note 11.

Amounts paid to M&G Securities Limited in respect of rebate arrangements for the annual charge are disclosed in notes 3 and 5. Amounts due at the year end from the ACD, and/or associate, in respect of these rebates are disclosed in note 9.

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 10.87% (2025: 9.65%) of the fund's shares.

16 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.

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.

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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 January	Assets 2026 \$'000	Liabilities 2026 \$'000	Assets 2025 \$'000	Liabilities 2025 \$'000
Basis of valuation				
Level 1	1,273,044	0	828,859	0
Level 2	102,931	(1)	0	(22)
Level 3	0	0	0	0
	1,375,975	(1)	828,859	(22)

17 Risk management policies

The general risk management policies for the fund are set out in note 3 to the financial statements on pages 12 to 15.

18 Market risk sensitivity

A five per cent increase in the value of the fund's investment portfolio would have the effect of increasing the return and net assets by \$68,799,000 (2025: \$41,442,000). A five per cent decrease would have an equal and opposite effect.

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19 Currency risk sensitivity and exposure

A five per cent increase in the value of the fund's currency exposure would have the effect of increasing the return and net assets by \$58,358,000 (2025: \$31,830,000). A five per cent decrease would have an equal and opposite effect.

as at 31 January	2026 \$'000	2025 \$'000
Currency exposure		
Australian dollar	10,650	939
Brazilian real	175,658	96,375
Canadian dollar	4,026	6,237
Chilean peso	16	14
Chinese yuan	26,191	0
Colombian peso	8,283	4,442
Euro	1	16
Hong Kong dollar	208,781	130,691
Indian rupee	43,094	32,286
Indonesian rupiah	73,631	36,235
Mexican peso	54,454	33,231
Philippine peso	29,998	7,384
Saudi riyal	0	5,588
South African rand	147,172	71,675
South Korean won	194,396	108,359
Sterling	24,475	41,871
Taiwan dollar	123,976	46,125
Thailand baht	22,323	15,127
Turkish lira	13,203	0
US dollar	249,030	190,928
Vietnamese dong	6,838	1
Total	1,416,196	827,524

20 Interest rate risk sensitivity and exposure

As the majority of the fund's financial assets are non-interest bearing, the risk is not considered significant and is therefore not disclosed.

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21 Credit risk

Credit risk with regard to derivative balances is not considered significant and is therefore not disclosed.

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 January 2026	Forwards \$'000
State Street Bank	113
Total	113

as at 31 January 2025	Forwards \$'000
State Street Bank	(22)
Total	(22)

22 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 102.

23 Dividend distribution tables

This fund pays annual ordinary distributions and the following table sets out the distribution period.

Annual distribution period

	Start	End	Xd	Payment
Final	01.02.25	31.01.26	02.02.26	31.03.26

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 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.

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Sterling Class 'A' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	6.6309	3.4913	10.1222	9.9168

Sterling Class 'A' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	6.1887	2.7242	8.9129	8.5506

Sterling Class 'I' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	5.6766	4.9550	10.6316	10.3671

Sterling Class 'I' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	4.4172	7.3594	11.7766	11.1836

Sterling Class 'I-H' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	0.8412	2.9863	3.8275	3.4364

Sterling Class 'I-H' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	1.9255	1.5915	3.5170	3.0883

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Sterling Class 'PP' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	1.6442	2.2576	3.9018	3.8047

Sterling Class 'PP' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	0.9739	2.8286	3.8025	3.6046

Sterling Class 'PP-H' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	3.8933	0.0000	3.8933	3.4951

Sterling Class 'PP-H' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	3.6478	0.0000	3.6478	3.1958

Sterling Class 'R' Income shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	2.5933	2.7567	5.3500	5.2333

Sterling Class 'R' Accumulation shares

Ordinary distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
Final	1.4554	3.6011	5.0565	4.8310

Financial statements and notes

24 Events after the balance sheet date

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

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 April 2025 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 that of the ICE BofA Global Floating Rate High Yield Index (3% constrained) USD Hedged over any five-year period.

Investment policy

At least 70% of the fund is invested, directly or indirectly, in below investment grade corporate and government floating rate notes. 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.

The fund's indirect exposure to floating rate notes is achieved by investing through a combination of instruments. These include the combination of government bonds or corporate bonds with credit derivatives, such as credit default swaps, to create synthetic positions.

Other investments may include:

- below investment grade, investment grade and unrated corporate debt securities;
- debt securities issued or guaranteed by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies;
- asset backed securities; and/or
- 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 applicable to the fund's investments.

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

Investment approach

The fund is globally diversified across a range of below investment grade (high yield) debt securities from a variety of sectors and geographies, focusing on floating rate notes.

If interest rates rise, the fund will benefit from a higher income as floating rate note coupons are automatically adjusted upwards (equally, should interest rates fall, then the coupons will be adjusted downwards). This has the effect of providing a natural hedge against rising interest rates.

The fund manager has the flexibility to adjust the fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

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

ICE BofA Global Floating Rate High Yield Index (3% constrained) USD Hedged

The fund is actively managed. The benchmark is a target which the fund seeks to outperform. The index has been chosen as the fund's target benchmark as it best reflects the scope of the fund's investment policy. The target benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

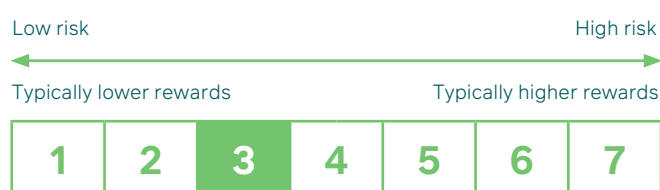
For each share class the benchmark will be denominated or hedged into the relevant share class currency. The benchmark for each share class will be shown in its respective KIID.

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 12 to 15.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A-H' 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 changed during this period. From 1 February 2025 to 27 July 2025 the risk number was 4.

Investment review

For the year ended 31 January 2026

Performance against objective

Over the 12 months ending 31 January 2026, the fund delivered strong positive returns (the combination of capital growth and income) across all its sterling share classes. Performance lagged its benchmark, the ICE BofA Global Floating Rate High Yield Index (3% constrained) USD hedged, which returned 5.7% over the period.

Over five years, the fund delivered positive returns across its share classes, but underperformed the benchmark, so did not achieve its objective of providing a higher total return, net of the ongoing charge figure, over any five-year period versus the benchmark, which returned 7.3% pa over the period.

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

Performance review

Global high yield (HY) markets and high yield floating rate note (HY FRN) markets delivered solid returns in the period under review, a year defined by macro uncertainty, persistent interest rate fluctuations, and a growing disconnect between risk asset valuations and economic fundamentals. The returns by HY FRNs were supported by a combination of tightening credit spreads (these measure the difference between the yield of a corporate bond and the yield of a government bond of the same maturity) and healthy carry (the interest or coupon income earned from holding a bond). Importantly, these returns came with significantly lower volatility compared to traditional HY markets.

Financial markets saw significant volatility at the start of the period under review with concerns over President Trump's tariff agenda, fiscal policy shifts in Europe and China's breakthrough artificial intelligence (AI) model, leading to heightened risk aversion. US Treasury prices rose on recession fears, while UK government bond prices posted modest gains. In contrast, German yields increased following the suspension of its so-called debt brake, and Japanese yields rose on expectations of interest rate hikes amid inflation pressures. Bond prices and bond yields move in opposite directions. The second quarter of 2025 was dominated by geopolitical tensions, especially US tariff actions and developments in the Middle East. Market anxiety peaked in early April due to 'Liberation Day' tariff announcements but eased as President Trump later adopted a more conciliatory tone. US Treasuries weakened after Moody's downgraded the US credit rating, further pressured by the administration's expansive 'Big, Beautiful' tax bill that threatened to widen the fiscal deficit. In the third quarter, credit spreads widened initially due to inflationary pressures and political uncertainty, but improved as strong earnings, steady growth and weakening labour data fuelled expectations of interest rate cuts. The Federal Reserve (Fed) did cut interest rates by 25 bps in September. The fourth quarter saw

Authorised Corporate Director's Report

renewed volatility as the Fed delivered two further interest rate cuts, bringing interest rates into a range of 3.50% to 3.75%, the lowest in three years. Global HY markets started on a positive note in 2026 supported by tighter credit spreads and positive carry.

The fund underperformed its benchmark mainly due to our security selection. Security selection in consumer goods, capital goods, telecommunications and leisure detracted from relative performance. Our underweight (below benchmark position) to consumer goods and banking also contributed negatively to relative returns.

In contrast, our off-benchmark position in the credit default swap (CDS) index, which we hold for liquidity and diversification purposes, added to relative performance.

In the corporate space, relative to the benchmark, top contributors included Swedish outsourcing business Transcom and German home shopping retailer HSE. The main relative detractors were Swedish cosmetics and wellness products seller Oriflame and telecom and media business United Group.

Investment activities

In primary markets, we bought Verve (digital advertising), early in the review period. In the second quarter of 2025, we bought Miller Homes, Lottomatica (game operator), Currenta (chemical sites operator), Golden Goose (luxury sneakers), Centrient (antibiotics), Bausch & Lomb (healthcare), TeamSystem (software), Techem (energy services) and Mehilainen Yhtiot (health services). In the third quarter, we participated in issues from HSE (finance), food and beverage businesses Nexture and La Doria, Sammontana (ice cream), online gambling firm Evoke (888 Acquisitions Ltd), CEME (fluid pumps) and Nidda (healthcare). In the fourth quarter, we bought gaming and betting companies Cirsa and Intralot Capital, Castello (plastic tubing), King US (manufacturing), Genmab (biotech), Vivion Investments (real estate) and Celsa Opco (circular steel producer). Towards the end of the review period, we participated in United Group, APCOA (parking infrastructure), and Nexture.

In secondary markets, we managed flows and topped up our exposure to existing positions throughout the period under review. Early in the review period, we increased exposure to US senior secured fixed rate debt (hedging duration) and CDS HY index. In the second quarter of 2025, we added exposure to issuers with low cyclicity (supermarkets, healthcare) and those driven by domestic demand. We also added International Design (leisure facilities), reduced our exposure to Fedrigoni (paper and adhesives) and took profit from Cedacri (banking solutions). In the third quarter, we bought Nissan Motor (car maker) and topped up positions in Fibercorp (broadband business), TeamSystem, APCOA, Cheplapharm (pharmaceuticals) and Manuchar (chemicals distributor). We also switched FRNs from chemicals firm Cabb Group into a fixed-rate bond (later sold). In the fourth quarter, we added Boparan (poultry), reduced International Design (Flos B&B Italia spa), Evoke (888 Acquisitions Ltd), and exited Trivium (metal packaging), and Garfunkelux (credit management). We also switched some FRNs from United Group into fixed-rate HY. Towards the end of the review period, we reduced Travelodge (TVL - hotels) and topped up our existing positions in HSE and Manuchar (chemicals).

Outlook

2025 was characterised by market volatility, a trend that could continue into 2026, due to the mixed macroeconomic backdrop and ongoing uncertainty around economic and fiscal policy. In this environment, we believe that carry may continue to be a dominant contributor to high yield returns, providing regular income and a healthy cushion against potential adverse price moves from volatility or spread widening.

In our view, defaults may remain modest, and to be concentrated within sectors and segments that are already under stress. As the high yield market becomes increasingly bifurcated, particularly within lower-rated segments, where better-rated names trade at tight levels and weaker credits struggle, we believe an active, value-driven approach grounded in fundamental research is essential for capturing opportunities and mitigating default risk.

Authorised Corporate Director's Report

We believe HY FRNs remain attractive even in lower policy rate environments. Their historical performance highlights their resilience across diverse economic and interest rate cycles, enabling them to deliver positive returns for the vast majority of the past decade, and very limited losses during periods of aggressive interest rate hikes.

From a positioning perspective, the fund remains over 80% invested in the physical FRN market, reflecting our confidence in its resilience. From a risk perspective, given valuation levels, we maintain a neutral stance, preserving flexibility to re-engage in 2026 should spreads widen and create more compelling entry points.

Against this backdrop, we believe that our HY FRN strategy may offer a compelling proposition for the year ahead, aiming to provide competitive yields with minimal duration and seeking to reduce exposure to market volatility, while delivering an attractive risk/reward. In our view, high yield FRNs can provide a defensive high yield allocation, without sacrificing yield potential.

Lu Yu and Stefan Isaacs

Co-fund managers

Employees of M&G FA Limited which is an associate of M&G Securities Limited. Please note that effective from 30 June 2025, James Tomlins resigned 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 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Equities	2	0.00	0.00
809,185 HSE Finance SARL	0	0.00	
193,442 Iqera Group SAS	0	0.00	
145,386 Yuzhou Group Holdings Co. Ltd. ^a	2	0.00	
Fixed income	256,515	93.62	88.06
Euro denominated bonds	223,893	81.72	77.64
Corporate bonds	223,893	81.72	77.64
EUR3,300,000 888 Acquisitions Ltd. FRN 7.516% 15/07/2028	3,665	1.34	
EUR1,696,000 APCOA GmbH FRN 5.3784% 15/04/2031	2,014	0.73	
EUR2,090,000 APCOA GmbH FRN 6.141% 15/04/2031	2,496	0.91	
EUR767,000 Arena Luxembourg Finance SARL FRN 4.55% 01/05/2030	924	0.34	
EUR4,930,000 Assemblin Caverion Group AB FRN 5.526% 01/07/2031	5,914	2.16	
EUR2,934,000 Bach Bidco SpA FRN 6.266% 15/10/2028	3,531	1.29	
EUR2,500,000 Bausch & Lomb Netherlands BV & Bausch & Lomb, Inc. FRN 5.891% 15/01/2031	3,013	1.10	
EUR4,600,000 Bertrand Franchise Finance SAS FRN 5.776% 18/07/2030	5,373	1.96	
EUR1,067,000 Bubbles Bidco SpA FRN 6.269% 30/09/2031	1,284	0.47	
EUR4,134,000 Castello BC Bidco SpA FRN 6.519% 14/11/2031	4,978	1.82	
EUR7,365,000 Cedacri SpA FRN 6.689% 15/05/2028	8,786	3.21	
EUR2,398,000 Celsa Opco SA FRN 7.569% 15/12/2030	2,904	1.06	
EUR1,847,000 CEME SpA FRN 6.519% 30/09/2031	2,201	0.80	
EUR640,000 Centrient Holding BV FRN 6.564% 30/05/2030	683	0.25	
EUR7,177,000 Cerved Group SpA FRN 7.35% 15/02/2029	7,702	2.81	
EUR2,000,000 Cheplapharm Arzneimittel GmbH FRN 6.814% 15/05/2030	2,385	0.87	
EUR1,618,000 Cirsa Finance International SARL FRN 5.1% 15/10/2032	1,951	0.71	
EUR2,800,000 Conceria Pasubio SpA FRN 6.518% 30/09/2028	2,875	1.05	
EUR779,207 Cullinan Holdco SCSp FRN 8.216% 15/10/2029	799	0.29	
EUR2,500,000 Currenta Group Holdings SARL FRN 6.064% 15/05/2032	2,993	1.09	
EUR744,000 Deuce Finco PLC FRN 5.551% 20/11/2032	896	0.33	
EUR2,901,000 Deutsche Lufthansa AG Var 4.382% 12/08/2075	3,463	1.26	
EUR1,943,000 Duomo Bidco SpA FRN 5.31% 15/01/2032	2,325	0.85	
EUR616,456 Encore Capital Group, Inc. FRN 6.266% 15/01/2028	740	0.27	
EUR2,500,000 Essendi SA FRN 5.814% 15/05/2032	3,010	1.10	

Portfolio statement

Investments (continued)

Holding		as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)				
Euro denominated bonds (continued)				
Corporate bonds (continued)				
EUR500,000	European Entertainment Intressenter BidCo AB FRN 9.283% 29/09/2030	575	0.21	
EUR2,800,000	EVOCA SpA FRN 7.282% 09/04/2029	3,146	1.15	
EUR1,825,000	Fedrigoni SpA FRN 6.019% 15/01/2030	2,129	0.78	
EUR2,500,000	Fibercop SpA FRN 5.016% 30/06/2031	3,011	1.10	
EUR160,000	Flos B&b Italia SpA 10% 15/11/2028	201	0.07	
EUR1,491,000	Flos B&b Italia SpA FRN 5.975% 15/12/2029	1,770	0.65	
EUR1,875,000	Golden Goose SpA FRN 5.814% 15/05/2031	2,256	0.82	
EUR1,200,000	Goldstory SAS FRN 6.05% 01/02/2030	1,394	0.51	
EUR4,312,000	Guala Closures SpA FRN 6.1% 29/06/2029	5,091	1.86	
EUR1,519,421	HSE Investment SARL FRN 8.124% 15/10/2029	1,774	0.65	
EUR1,550,000	Iceland Bondco PLC FRN 7.564% 15/12/2027	1,869	0.68	
EUR417,000	IMA Industria Macchine Automatiche SpA 3.75% 15/01/2028	497	0.18	
EUR2,059,000	IMA Industria Macchine Automatiche SpA FRN 5.766% 15/04/2029	2,463	0.90	
EUR1,500,000	Intralot Capital Luxembourg SA FRN 6.5% 15/10/2031	1,746	0.64	
EUR3,036,000	IPD 3 BV FRN 5.475% 15/06/2031	3,610	1.32	
EUR497,000	IPD 3 BV 5.5% 15/06/2031	592	0.22	
EUR459,454	Iqera Group SAS 6.564% 30/04/2030	277	0.10	
EUR1,018,000	Irca SpA/Gallarate FRN 5.85% 15/12/2029	1,217	0.44	
EUR3,366,000	Italmatch Chemicals SpA FRN 7.519% 06/02/2028	4,018	1.47	
EUR3,950,000	Kapla Holding SAS FRN 5.6% 31/07/2030	4,744	1.73	
EUR423,000	Kepler SpA FRN 6.141% 18/12/2029	510	0.19	
EUR1,625,000	King U.S. Bidco, Inc. FRN 5.311% 01/12/2032	1,947	0.71	
EUR1,669,000	La Doria SpA FRN 5.401% 30/12/2030	2,009	0.73	
EUR3,182,000	Lion/Polaris Lux 4 SA FRN 5.641% 01/07/2029	3,823	1.39	
EUR552,000	Lottomatica Group SpA 4.875% 31/01/2031	678	0.25	
EUR1,537,000	Lottomatica Group SpA FRN 5.311% 01/06/2031	1,844	0.67	
EUR1,930,000	Manuchar Group SARL FRN 7.1% 07/07/2032	2,220	0.81	
EUR1,770,000	Maticmind SpA FRN 7.299% 31/12/2032	2,101	0.77	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)			
Euro denominated bonds (continued)			
Corporate bonds (continued)			
EUR670,000	Mehilainen Yhtiot OYJ FRN 5.393% 30/06/2032	803	0.29
EUR2,083,000	Miller Homes Group Finco PLC FRN 6.314% 15/10/2030	2,509	0.91
EUR1,172,000	Monitchem HoldCo 3 SA FRN 7.35% 01/05/2028	1,387	0.51
EUR1,077,000	MPT Operating Partnership LP/MPT Finance Corp. 7% 15/02/2032	1,340	0.49
EUR4,879,000	Multiversity SpA FRN 6.276% 30/10/2028	5,832	2.13
EUR680,000	Multiversity SpA FRN 6.276% 17/05/2031	813	0.30
EUR3,201,000	Neopharmed Gentili SpA FRN 6.266% 08/04/2030	3,852	1.41
EUR712,000	Nexture SpA FRN 5.1297% 30/07/2032	852	0.31
EUR2,340,000	Nexture SpA FRN 6.016% 30/07/2032	2,805	1.02
EUR4,891,000	Nidda Healthcare Holding GmbH FRN 5.276% 15/10/2032	5,864	2.14
EUR1,458,000	Nidda Healthcare Holding GmbH FRN 5.814% 23/10/2030	1,755	0.64
EUR2,507,000	Omnia Technologies SpA FRN 6.269% 05/11/2031	2,766	1.01
EUR299,913	Oriflame Investment Holding PLC 8% 19/12/2032	100	0.04
EUR2,578,000	PLT VII Finance SARL FRN 5.6% 15/06/2031	3,090	1.13
EUR2,059,000	PrestigeBidCo GmbH FRN 5.766% 01/07/2029	2,475	0.90
EUR2,375,000	RAY Financing LLC FRN 5.766% 15/07/2031	2,848	1.04
EUR4,195,000	Reno de Medici SpA FRN 7.1% 15/04/2029	1,492	0.54
EUR1,000,000	Rino Mastrotto Group SpA FRN 6.816% 31/07/2031	1,158	0.42
EUR1,826,000	Sammontana Italia SpA FRN 5.766% 15/10/2031	2,181	0.80
EUR1,677,000	SGL Group ApS FRN 6.304% 24/02/2031	1,882	0.69
EUR5,070,000	SGL Group ApS FRN 6.777% 22/04/2030	5,794	2.11
EUR4,600,000	Sherwood Financing PLC FRN 7.6% 15/12/2029	5,400	1.97
EUR3,421,000	Stonegate Pub Co. Financing PLC FRN 8.689% 31/07/2029	4,030	1.47
EUR4,400,000	Summer BC Holdco B SARL FRN 6.314% 15/02/2030	4,931	1.80
EUR4,131,000	TeamSystem SpA FRN 5.266% 01/07/2032	4,906	1.79
EUR3,477,000	TeamSystem SpA FRN 5.516% 31/07/2031	4,136	1.51
EUR1,318,000	Techem Verwaltungsgesellschaft 675 GmbH FRN 5.026% 15/07/2032	1,584	0.58
EUR1,965,200	Transcom Holding AB 8.049% 31/01/2030	2,186	0.80
EUR500,000	TVL Finance PLC FRN 5.768% 30/06/2030	577	0.21

Portfolio statement

Investments (continued)

Holding		as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Fixed income (continued)				
Euro denominated bonds (continued)				
Corporate bonds (continued)				
EUR4,088,000	United Group BV FRN 5.276% 31/01/2033	4,872	1.78	
EUR2,800,000	United Group BV FRN 6.314% 15/02/2031	3,344	1.22	
EUR300,000	United Group BV 6.5% 31/10/2031	369	0.13	
EUR747,000	Verve Group SE FRN 6.019% 01/04/2029	862	0.31	
EUR580,000	Vivion Investments SARL 5.625% 08/06/2030	681	0.25	
Sterling denominated bonds		5,685	2.07	1.23
Corporate bonds		5,685	2.07	1.23
GBP540,000	Boparan Finance PLC 9.375% 07/11/2029	791	0.29	
GBP1,416,000	Encore Capital Group, Inc. 4.25% 01/06/2028	1,871	0.68	
GBP3,118,000	House of Fraser Funding PLC 0% 30/12/2050 ^b	0	0.00	
GBP277,000	Iceland Bondco PLC 4.375% 15/05/2028	374	0.14	
GBP520,000	Miller Homes Group Finco PLC 7% 15/05/2029	721	0.26	
GBP1,400,000	TVL Finance PLC 10.25% 28/04/2028	1,928	0.70	
US dollar denominated bonds		26,937	9.83	9.19
Corporate bonds		6,929	2.53	2.22
USD830,000	Directv Financing LLC/Directv Financing Co-Obligor, Inc. 10% 15/02/2031	854	0.31	
USD4,501,000	Energy Transfer LP FRN 7.1329% 01/11/2066	4,491	1.64	
USD559,000	Flagstar Bank NA Var 6.9282% 06/11/2028	538	0.20	
USD315,000	Genmab AS/Genmab Finance LLC 6.25% 15/12/2032	323	0.12	
USD695,000	Nissan Motor Acceptance Co. LLC FRN 5.734% 13/09/2027	692	0.25	
USD112,437	Yuzhou Group Holdings Co. Ltd. 1% 30/06/2034 ^b	0	0.00	
USD131,181	Yuzhou Group Holdings Co. Ltd. 4% 30/06/2028 ^b	3	0.00	
USD228,988	Yuzhou Group Holdings Co. Ltd. 4.5% 30/06/2029 ^b	5	0.00	
USD306,389	Yuzhou Group Holdings Co. Ltd. 5% 30/06/2030 ^b	6	0.00	
USD430,841	Yuzhou Group Holdings Co. Ltd. 5.5% 30/06/2031 ^b	5	0.00	
USD156,241	Yuzhou Group Holdings Co. Ltd. 7% 30/06/2027 ^b	12	0.01	
Government bonds		20,008	7.30	6.97
USD6,000,000	U.S. Treasury FRN 3.7107% 31/01/2027	6,001	2.19	
USD14,000,000	U.S. Treasury FRN 3.7947% 31/07/2026	14,007	5.11	

Portfolio statement

Investments (continued)

Holding	as at 31.01.26 \$'000	as at 31.01.26 %	as at 31.01.25 %
Derivatives	2,373	0.87	(0.15)
Forwards	(4,802)	(1.75)	(0.07)
Bought EUR4,989,457 for USD5,813,733 Settlement 04/02/2026	149	0.05	
Bought GBP22,219 for USD29,933 Settlement 04/02/2026	1	0.00	
Sold EUR191,063,232 for USD223,521,033 Settlement 04/02/2026	(4,801)	(1.75)	
Sold GBP4,309,640 for USD5,788,037 Settlement 04/02/2026	(151)	(0.05)	
Forwards for share class hedging	6,422	2.34	(0.97)
Bought GBP202,829,883 for USD272,932,160 Settlement 04/02/2026	6,557	2.39	
Sold GBP9,977,423 for USD13,613,507 Settlement 04/02/2026	(135)	(0.05)	
Credit default swaps	762	0.28	0.89
USD13,580,000 CDX.NA.HY.S39 20/12/2027	762	0.28	
Interest rate swaps	(9)	0.00	0.00
EUR1,077,000 Pay 2.3052% Receive VAR 06/02/2032	5	0.00	
USD830,000 Pay 3.9892% Receive VAR 07/02/2031	(14)	0.00	
Total portfolio	258,890	94.49	87.91
Net other assets/(liabilities)	15,092	5.51	12.09
Net assets attributable to shareholders	273,982	100.00	100.00

The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

^a Suspended.

^b Defaulted bond.

Portfolio statement

Top ten portfolio transactions for the year to 31 January 2026

Largest purchases	\$'000
U.S. Treasury FRN 3.7947% 31/07/2026	9,009
U.S. Treasury FRN 3.7107% 31/01/2027	5,998
Nidda Healthcare Holding GmbH FRN 5.276% 15/10/2032	5,735
United Group BV FRN 5.276% 31/01/2033	4,755
TeamSystem SpA FRN 5.266% 01/07/2032	4,750
Summer BC Holdco B SARL FRN 6.314% 15/02/2030	4,734
Fibercop SpA FRN 5.016% 30/06/2031	2,886
Bausch & Lomb Netherlands BV & Bausch & Lomb, Inc. FRN 5.891% 15/01/2031	2,864
Currenta Group Holdings SARL FRN 6.064% 15/05/2032	2,820
Essendi SA FRN 5.814% 15/05/2032	2,815
Other purchases	65,993
Total purchases	112,359

Largest sales	\$'000
Mooney Group SpA FRN 5.908% 17/12/2026	6,223
U.S. Treasury FRN 3.9355% 31/10/2025	5,502
TeamSystem SpA FRN 6.927% 15/02/2028	5,428
Cirsa Finance International SARL FRN 8.412% 31/07/2028	5,326
Nova Alexandre III SAS FRN 9.1301% 15/07/2029	4,436
Miller Homes Group Finco PLC FRN 7.904% 15/05/2028	4,323
Golden Goose SpA FRN 7.431% 14/05/2027	4,287
Deuce Finco PLC FRN 8.231% 15/06/2027	4,115
U.S. Treasury FRN 3.7947% 31/07/2026	4,004
U.S. Treasury FRN 3.7627% 30/04/2026	3,902
Other sales	63,825
Total sales	111,371

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 and shown as net of operating charge. 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-H' Income	+4.9	+8.3	+6.0	+4.3
Class 'A-H' Accumulation	+4.9	+8.3	+6.0	+4.3
Class 'E-H' Income	+5.5	+9.0	+6.6	+5.0
Class 'E-H' Accumulation	+5.5	+9.0	+6.6	+5.1
Class 'I-H' Income	+5.3	+8.7	+6.4	+4.8
Class 'I-H' Accumulation	+5.3	+8.8	+6.4	+4.8
Class 'PP-H' Income	+5.4	+8.8	+6.5	n/a
Class 'PP-H' Accumulation	+5.4	+8.9	+6.5	n/a
Class 'R-H' Income	+5.1	+8.5	+6.2	+4.5
Class 'R-H' Accumulation	+5.0	+8.5	+6.2	+4.5
Benchmark	+5.7	+9.4	+7.3	+6.3

^a Not annualised.

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 period 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-H' Income shares

The share class was launched on 11 September 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	85.66	86.52	83.91
Return before operating charges*	4.65	7.18	10.79
Operating charges	(0.88)	(0.89)	(0.89)
Return after operating charges*	3.77	6.29	9.90
Distributions	(6.11)	(7.15)	(7.29)
Closing NAV	83.32	85.66	86.52
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.40	7.27	11.80
Other information			
Closing NAV (\$'000)	2,880	2,329	2,564
Number of shares	2,508,282	2,190,686	2,335,624
Operating charges (%)	1.03	1.03	1.03
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	87.33	88.46	89.19
Lowest share price (UK p)	84.43	85.32	84.04

Sterling Class 'A-H' Accumulation shares

The share class was launched on 11 September 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	141.91	131.92	117.49
Return before operating charges*	7.81	11.39	15.71
Operating charges	(1.50)	(1.40)	(1.28)
Return after operating charges*	6.31	9.99	14.43
Distributions	(8.91)	(9.85)	(9.27)
Retained distributions	8.91	9.85	9.27
Closing NAV	148.22	141.91	131.92
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.45	7.57	12.28
Other information			
Closing NAV (\$'000)	3,524	3,492	4,502
Number of shares	1,725,430	1,982,917	2,690,196
Operating charges (%)	1.03	1.03	1.03
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	149.36	142.42	133.01
Lowest share price (UK p)	141.36	132.01	117.65

Financial highlights

Sterling Class 'E-H' Income shares

The share class was launched on 3 October 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	90.96	91.31	88.01
Return before operating charges*	5.03	7.61	11.37
Operating charges	(0.39)	(0.39)	(0.39)
Return after operating charges*	4.64	7.22	10.98
Distributions	(6.51)	(7.57)	(7.68)
Closing NAV	89.09	90.96	91.31
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	5.10	7.91	12.48
Other information			
Closing NAV (\$'000)	49,256	30,255	5,785
Number of shares	40,125,283	26,800,775	4,994,211
Operating charges (%)	0.43	0.43	0.43
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	93.01	93.49	94.11
Lowest share price (UK p)	90.07	90.32	88.15

Sterling Class 'E-H' Accumulation shares

The share class was launched on 11 September 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	152.70	141.12	124.98
Return before operating charges*	8.46	12.21	16.71
Operating charges	(0.67)	(0.63)	(0.57)
Return after operating charges*	7.79	11.58	16.14
Distributions	(10.55)	(11.44)	(10.68)
Retained distributions	10.55	11.44	10.68
Closing NAV	160.49	152.70	141.12
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	5.10	8.21	12.91
Other information			
Closing NAV (\$'000)	1,143	5,879	2,422
Number of shares	516,996	3,102,568	1,353,027
Operating charges (%)	0.43	0.43	0.43
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	161.73	153.25	142.28
Lowest share price (UK p)	152.25	141.22	125.16

Financial highlights

Sterling Class 'I-H' Income shares

The share class was launched on 11 September 2014.

for the year to 31 January	2026	2025	2024
Change in NAV per share	UK p	UK p	UK p
Opening NAV	89.23	89.76	86.68
Return before operating charges*	4.86	7.48	11.19
Operating charges	(0.56)	(0.57)	(0.56)
Return after operating charges*	4.30	6.91	10.63
Distributions	(6.38)	(7.44)	(7.55)
Closing NAV	87.15	89.23	89.76
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.82	7.70	12.26
Other information			
Closing NAV (\$'000)	46,556	41,451	44,602
Number of shares	38,769,512	37,429,168	39,170,461
Operating charges (%)	0.63	0.63	0.63
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	91.16	91.86	92.52
Lowest share price (UK p)	88.23	88.69	86.82

Sterling Class 'I-H' Accumulation shares

The share class was launched on 11 September 2014.

for the year to 31 January	2026	2025	2024
Change in NAV per share	UK p	UK p	UK p
Opening NAV	149.22	138.15	122.57
Return before operating charges*	8.24	11.97	16.40
Operating charges	(0.97)	(0.90)	(0.82)
Return after operating charges*	7.27	11.07	15.58
Distributions	(9.99)	(10.91)	(10.21)
Retained distributions	9.99	10.91	10.21
Closing NAV	156.49	149.22	138.15
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.87	8.01	12.71
Other information			
Closing NAV (\$'000)	158,198	158,597	190,143
Number of shares	73,364,349	85,641,288	108,489,046
Operating charges (%)	0.63	0.63	0.63
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	157.70	149.75	139.30
Lowest share price (UK p)	148.73	138.26	122.75

Financial highlights

Sterling Class 'PP-H' Income shares

The share class was launched on 5 August 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	94.94	95.37	92.02
Return before operating charges*	5.15	7.99	11.87
Operating charges	(0.50)	(0.51)	(0.50)
Return after operating charges*	4.65	7.48	11.37
Distributions	(6.79)	(7.91)	(8.02)
Closing NAV	92.80	94.94	95.37
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.90	7.84	12.36
Other information			
Closing NAV (\$'000)	7,035	16,550	59,059
Number of shares	5,502,076	14,046,929	48,818,999
Operating charges (%)	0.53	0.53	0.53
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	97.03	97.66	98.30
Lowest share price (UK p)	93.93	94.31	92.16

Sterling Class 'PP-H' Accumulation shares

The share class was launched on 8 April 2019.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	133.44	123.42	109.38
Return before operating charges*	7.38	10.70	14.66
Operating charges	(0.73)	(0.68)	(0.62)
Return after operating charges*	6.65	10.02	14.04
Distributions	(9.08)	(9.88)	(9.23)
Retained distributions	9.08	9.88	9.23
Closing NAV	140.09	133.44	123.42
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.98	8.12	12.84
Other information			
Closing NAV (\$'000)	3,193	4,144	13,164
Number of shares	1,653,881	2,502,185	8,407,456
Operating charges (%)	0.53	0.53	0.53
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	141.18	133.92	124.45
Lowest share price (UK p)	133.04	123.51	109.54

Financial highlights

Sterling Class 'R-H' Income shares

The share class was launched on 11 September 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	86.97	87.71	84.90
Return before operating charges*	4.74	7.29	10.97
Operating charges	(0.77)	(0.77)	(0.77)
Return after operating charges*	3.97	6.52	10.20
Distributions	(6.21)	(7.26)	(7.39)
Closing NAV	84.73	86.97	87.71
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.56	7.43	12.01
Other information			
Closing NAV (\$'000)	1,284	991	791
Number of shares	1,099,369	917,871	710,878
Operating charges (%)	0.88	0.88	0.88
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	88.75	89.71	90.41
Lowest share price (UK p)	85.84	86.56	85.04

Sterling Class 'R-H' Accumulation shares

The share class was launched on 11 September 2014.

for the year to 31 January Change in NAV per share	2026 UK p	2025 UK p	2024 UK p
Opening NAV	144.64	134.26	119.38
Return before operating charges*	7.93	11.60	16.01
Operating charges	(1.31)	(1.22)	(1.13)
Return after operating charges*	6.62	10.38	14.88
Distributions	(9.31)	(10.24)	(9.61)
Retained distributions	9.31	10.24	9.61
Closing NAV	151.26	144.64	134.26
*after direct transaction cost of	0.00	0.00	0.00
Performance			
Return after charges (%)	4.58	7.73	12.46
Other information			
Closing NAV (\$'000)	913	589	444
Number of shares	438,160	327,958	260,687
Operating charges (%)	0.88	0.88	0.88
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (UK p)	152.43	145.15	135.37
Lowest share price (UK p)	144.08	134.36	119.55

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Financial statements

Statement of total return

for the year to 31 January	Note	2026		2025	
		\$'000	\$'000	\$'000	\$'000
Income					
Net capital gains/(losses)	3		23,028		(4,792)
Revenue	5	19,930		24,406	
Expenses	6	(1,686)		(1,785)	
Interest payable and similar charges		(6)		(10)	
Net revenue/(expense) before taxation		18,238		22,611	
Taxation	7	0		0	
Net revenue/(expense) after taxation			18,238		22,611
Total return before distributions			41,266		17,819
Distributions	8		(18,790)		(23,203)
Change in net assets attributable to shareholders from investment activities			22,476		(5,384)

Statement of change in net assets attributable to shareholders

for the year to 31 January	2026		2025	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		264,277		323,476
Amounts received on issue of shares	63,170		79,410	
Amounts paid on cancellation of shares	(87,365)		(147,426)	
		(24,195)		(68,016)
Dilution adjustments		124		264
Change in net assets attributable to shareholders from investment activities (see above)		22,476		(5,384)
Retained distributions on Accumulation shares		11,300		13,937
Closing net assets attributable to shareholders		273,982		264,277

Financial statements and notes

Financial statements

Balance sheet

as at 31 January	Note	2026 \$'000	2025 \$'000
Assets			
Fixed assets			
Investments		263,991	235,125
Current assets			
Debtors	9	21,450	3,109
Cash and bank balances	10	9,214	9,963
Cash equivalents		9,963	25,493
Total assets		304,618	273,690
Liabilities			
Investment liabilities		(5,101)	(2,790)
Creditors			
Bank overdrafts		(3,461)	0
Overdrawn positions at futures clearing houses and collateral manager		(824)	(2,519)
Distribution payable		(1,768)	(1,799)
Other creditors	11	(19,482)	(2,305)
Total liabilities		(30,636)	(9,413)
Net assets attributable to shareholders		273,982	264,277

Financial statements and notes

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with the 'Summary of significant accounting policies' set out on pages 9 to 12.

2 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.

3 Net capital gains/(losses)

for the year to 31 January	2026 \$'000	2025 \$'000
Non-derivative securities	22,402	(12,954)
Derivative contracts	(5,180)	7,913
Currency gains/(losses)	5,806	249
Net capital gains/(losses)	23,028	(4,792)

Financial statements and notes

4 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' within 'Notes to the financial statements' on pages 11 and 12. Total direct portfolio transaction costs are stated before dilution adjustments.

for the year to 31 January	2026 \$'000	2025 \$'000
a) Purchases		
Debt securities	112,359	152,420
b) Sales		
Debt securities	108,531	191,751
Other transaction types		
Corporate actions	2,840	1,011
Total sales	111,371	192,762
c) There were no direct portfolio transaction costs		
	%	%
d) Indirect portfolio transaction costs		
Average portfolio dealing spread as at the balance sheet date	0.81	0.80

5 Revenue

for the year to 31 January	2026 \$'000	2025 \$'000
Bank interest	184	59
Derivative revenue	1,091	1,378
Interest distributions	770	1,037
Interest on debt securities	17,838	22,112
Rebate of ongoing charges from underlying funds	14	16
Share class hedging revenue	33	(196)
Total revenue	19,930	24,406

6 Expenses

for the year to 31 January	2026 \$'000	2025 \$'000
Payable to the ACD or associate		
Annual charge	1,686	1,785
Total expenses	1,686	1,785

Audit fees for the financial year ending 2026 were £14,000 (2025: £14,000) (including VAT), which are covered by the annual charge.

Financial statements and notes

7 Taxation

for the year to 31 January	2026 \$'000	2025 \$'000
a) Analysis of charge in the year		
Corporation tax	0	0
Withholding tax	0	0
Deferred tax (note 7c)	0	0
Total taxation	0	0
b) Factors affecting taxation charge for the year		
Net revenue/(expense) before taxation	18,238	22,611
Corporation tax at 20%	3,648	4,522
Effects of:		
Interest distributions	(3,648)	(4,522)
Total tax charge (note 7a)	0	0
c) Provision for deferred taxation		
Provision at the start of the year	0	0
Deferred tax in profit and loss account (note 7a)	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 (2025: same).

8 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 January	2026		2025	
	Inc \$'000	Acc \$'000	Inc \$'000	Acc \$'000
Interest distributions				
First interim	1,853	3,077	2,353	3,804
Second interim	1,992	3,124	2,415	3,698
Third interim	1,676	2,650	2,181	3,379
Final	1,768	2,449	1,799	3,056
Total net distributions	18,589	22,685		
Income deducted on cancellation of shares		796		941
Income received on issue of shares		(595)		(423)
Distributions	18,790		23,203	
Net revenue/(expense) per statement of total return	18,238		22,611	
Expenses offset against capital		552		592
Distributions	18,790		23,203	

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9 Debtors

as at 31 January	2026 \$'000	2025 \$'000
Amounts receivable on issues of shares	10,899	341
Currency deals outstanding	8,224	486
Debt security interest receivable	2,215	2,028
Derivative revenue receivable	74	173
Distributions receivable	32	80
Rebate of ongoing charges from underlying funds	0	1
Withholding tax recoverable	6	0
Total debtors	21,450	3,109

10 Cash and bank balances

as at 31 January	2026 \$'000	2025 \$'000
Cash held as bank balances	9,214	9,963
Total cash and bank balances	9,214	9,963

11 Other creditors

as at 31 January	2026 \$'000	2025 \$'000
Amounts payable on cancellation of shares	7,753	311
Annual charge payable	49	49
Currency deals outstanding	8,228	485
Purchases awaiting settlement	3,452	1,460
Total other creditors	19,482	2,305

12 Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2025: same).

Financial statements and notes

13 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 14.

Share class	Opening 01.02.25	Issued	Movements Cancelled	Converted	Closing 31.01.26
Sterling					
Class 'A-H' Income	2,190,686	540,848	(223,252)	0	2,508,282
Class 'A-H' Accumulation	1,982,917	437,935	(695,422)	0	1,725,430
Class 'E-H' Income	26,800,775	18,965,932	(5,641,424)	0	40,125,283
Class 'E-H' Accumulation	3,102,568	11,788	(2,597,360)	0	516,996
Class 'I-H' Income	37,429,168	13,824,460	(12,484,116)	0	38,769,512
Class 'I-H' Accumulation	85,641,288	9,611,390	(21,888,329)	0	73,364,349
Class 'PP-H' Income	14,046,929	680,882	(9,225,735)	0	5,502,076
Class 'PP-H' Accumulation	2,502,185	33,158	(881,462)	0	1,653,881
Class 'R-H' Income	917,871	342,579	(161,081)	0	1,099,369
Class 'R-H' Accumulation	327,958	679,628	(569,426)	0	438,160

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.

14 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-H'	1.03
Class 'E-H'	0.43
Class 'I-H'	0.63
Class 'PP-H'	0.53
Class 'R-H'	0.88

15 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 8. Amounts due to/from M&G Securities Limited in respect of share transactions at the year end are disclosed in notes 9 and 11 where applicable.

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Amounts paid to M&G Securities Limited in respect of the annual charge are disclosed in note 6. Amounts due at the year end in respect of the annual charge are disclosed in note 11.

Amounts paid to M&G Securities Limited in respect of rebate arrangements for the annual charge are disclosed in notes 3 and 5. Amounts due at the year end from the ACD, and/or associate, in respect of these rebates are disclosed in note 9.

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 0.03% (2025: 0.04%) of the fund's shares.

16 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.

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 January	Assets 2026 \$'000	Liabilities 2026 \$'000	Assets 2025 \$'000	Liabilities 2025 \$'000
Basis of valuation				
Level 1	20,010	0	18,417	0
Level 2	243,981	(5,101)	216,708	(2,790)
Level 3	0	0	0	0
	263,991	(5,101)	235,125	(2,790)

17 Risk management policies

The general risk management policies for the fund are set out in note 3 to the financial statements on pages 12 to 15.

18 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 January 2026 was 200% (2025: 200%).

Financial statements and notes

The lowest, highest and average utilisation of VaR with reference to the limit above, are calculated during the financial years ended 31 January 2026 and 31 January 2025.

for the year to 31 January	2026 Utilisation of VaR 200%	2025 Utilisation of VaR 200%
Lowest	45.58	48.70
Highest	77.22	73.39
Average	59.79	62.27

19 Credit risk

The fund is exposed to credit risk through derivative positions with counterparties. 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 January	2026 \$'000	2025 \$'000
Investment grade securities	20,008	18,417
Below investment grade securities	234,939	214,318
Unrated securities	1,568	0
Other investments	2,375	(400)
Total	258,890	232,335

The credit ratings are provided by S&P, followed by Moody's, and finally Fitch.

At the balance sheet date the fund held \$13,580,000 of credit default swap protection in below investment grade contracts (2025: \$29,735,000).

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 January 2026	Swaps \$'000	Forwards \$'000
Barclays Bank	753	(4,806)
Citigroup	0	1
HSBC	0	5
JPMorgan	0	40
Merrill Lynch	0	109
Standard Chartered Bank	0	(1)
State Street Bank	0	6,422
UBS	0	(150)
Total	753	1,620

At the balance sheet date \$6,630,000 (2025: \$nil) of cash collateral was held by the fund in respect of forward currency contracts.

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as at 31 January 2025	Swaps \$'000	Forwards \$'000
Barclays Bank	2,343	0
BNP Paribas	0	(227)
Citigroup	0	(7)
HSBC	0	(2)
Standard Chartered Bank	0	14
State Street Bank	0	(2,521)
Total	2,343	(2,743)

20 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 January 2026 and 31 January 2025 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 January	2026 \$'000	2026 %	2025 \$'000	2025 %
Lowest	513,325	187.02	507,118	186.68
Highest	1,621,084	594.00	1,875,201	596.99
Average	643,043	233.77	696,998	235.83

21 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 134.

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22 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	01.02.25	30.04.25	01.05.25	30.06.25
Second interim	01.05.25	31.07.25	01.08.25	30.09.25
Third interim	01.08.25	31.10.25	03.11.25	31.12.25
Final	01.11.25	31.01.26	02.02.26	31.03.26

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 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-H' Income shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
First interim	0.9014	0.7341	1.6355	1.8296
Second interim	0.2898	1.3665	1.6563	1.8587
Third interim	0.2049	1.2399	1.4448	1.7835
Final	0.2516	1.1264	1.3780	1.6829

Sterling Class 'A-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2 Equalisation	Group 1 & 2 Distribution	
	2026 UK p	2026 UK p	2026 UK p	2025 UK p
First interim	1.5845	0.7609	2.3454	2.4514
Second interim	0.8363	1.5930	2.4293	2.5446
Third interim	1.1447	0.9561	2.1008	2.4826
Final	0.6556	1.3740	2.0296	2.3709

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Sterling Class 'E-H' Income shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.8666	0.8673	1.7339	1.9295
Second interim	1.2792	0.4882	1.7674	1.9657
Third interim	0.4503	1.0897	1.5400	1.8890
Final	0.0403	1.4303	1.4706	1.7871

Sterling Class 'E-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	1.1266	1.6300	2.7566	2.8316
Second interim	2.8389	0.0000	2.8389	2.9463
Third interim	2.5132	0.0000	2.5132	2.8873
Final	2.4365	0.0000	2.4365	2.7777

Sterling Class 'I-H' Income shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.7593	0.9378	1.6971	1.8989
Second interim	0.8815	0.8554	1.7369	1.9311
Third interim	0.4371	1.0719	1.5090	1.8545
Final	0.7271	0.7135	1.4406	1.7532

Sterling Class 'I-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	1.4579	1.1567	2.6146	2.7060
Second interim	1.5856	1.1233	2.7089	2.8105
Third interim	1.4922	0.8803	2.3725	2.7507
Final	1.2660	1.0317	2.2977	2.6402

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Sterling Class 'PP-H' Income shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.9634	0.8460	1.8094	2.0248
Second interim	0.8136	1.0300	1.8436	2.0528
Third interim	0.9293	0.6780	1.6073	1.9723
Final	1.2330	0.3006	1.5336	1.8647

Sterling Class 'PP-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	2.3682	0.0000	2.3682	2.4518
Second interim	1.0670	1.3925	2.4595	2.5435
Third interim	0.0435	2.1149	2.1584	2.4916
Final	1.8455	0.2459	2.0914	2.3944

Sterling Class 'R-H' Income shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	0.3836	1.2736	1.6572	1.8550
Second interim	0.5956	1.0918	1.6874	1.8853
Third interim	0.2668	1.2015	1.4683	1.8096
Final	0.4272	0.9739	1.4011	1.7095

Sterling Class 'R-H' Accumulation shares

Interest distributions for the year to 31 January	Income	Group 2	Group 1 & 2	
	2026 UK p	Equalisation 2026 UK p	2026 UK p	2025 UK p
First interim	1.5950	0.8492	2.4442	2.5451
Second interim	1.0244	1.5098	2.5342	2.6436
Third interim	1.0900	1.1108	2.2008	2.5825
Final	0.5117	1.6170	2.1287	2.4704

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23 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 Investments in Transferable Securities ('UCITS') V and the Guidelines on sound remuneration policies under the UCITS issued by the European Securities and Markets Authority ('ESMA Guidelines').

M&G 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 here: group.mandg.com/remuneration-policy

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 UCITS Management Company does not employ any staff directly. 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 across multiple entities. 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 2025 to 31 December 2025.

	Fixed Remuneration £'000	Variable Remuneration £'000	Total £'000	Beneficiaries
Senior Management	581	1,232	1,813	10
Other Identified Staff	3,525	19,864	23,389	23
Total	4,106	21,096	25,202	33

