

Sustainability Product Report

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M&G ESG Screened Global High Yield Bond Fund

a sub-fund of M&G Investment Funds (10), managed by M&G Securities Limited LEI

Identifier 254900IJVXMO64X82K96

This Sustainability Product Report covers the reporting period from 14 February 2025 to 13 February 2026, with key performance indicator (KPI) data presented as at 31 December 2025

Sustainability Label

This product does not have a UK sustainable investment label.

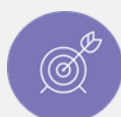
Sustainable investment labels help investors find products that have a specific sustainability goal. While the fund makes certain ESG commitments it does not have a specific sustainability goal and its sustainability approach does not meet the label requirements.

Investment Objective

The fund aims to provide a higher total return (capital growth plus income), net of the ongoing charge figure, than its benchmark[^] over any five-year period, while applying Environmental, Social and Governance ('ESG') Criteria.

[^] Bloomberg MSCI Global HY Corporate ESG BB+ Sustainable SRI Bond Index (USD Hedged)

Sustainability Approach



The fund manager used a framework (called the ESG Criteria) to assess the ESG credentials of investments, with 72.1% of the fund's assets in investments meeting those Criteria (we refer to these as 'ESG Assets') as at 31 December 2025. This included a 4.1% allocation to ESG Themed Bonds (see ESG Themed Bonds section below). The remaining assets of the fund included assets where it was not feasible to apply ESG Criteria. This included cash deposits and indirect exposures (such as derivatives). The ESG Criteria consists of several elements. Firstly, independent data is used to filter out companies that harm the environment or society (the exclusionary approach below), then other criteria are used to select what to include in the fund.



Exclusionary Approach

The fund limited the harm to the environment and society by excluding or restricting certain investments for the majority of the reporting period and as at 31 December 2025 held 0% in excluded investments. Details of the breach to this approach during the period is available in the Sustainability Metrics section below. Applying the exclusionary approach reduced the pool of investments the fund manager could choose from. More details on fund exclusions and restrictions can be found on the next page.



ESG Criteria to select corporate bonds- MSCI ESG Scores

The fund's weighted average MSCI ESG Score was 6.3 as at 31 December 2025 and was higher than the ICE BofA Global High Yield Index (USD Hedged) score of 5.6. The fund's score is a weighted average of the scores of the companies held in the portfolio. This is a commonly used measure of MSCI ESG Scores for a fund. A company's MSCI ESG Score is an independent assessment of how it manages its ESG risks and the potential impact on its long-term financial strength. The higher the number, the better; a high MSCI ESG score indicates a company is managing its ESG risks and opportunities well. The fund can invest in corporate bonds of companies with high or low MSCI ESG Scores, but the overall weighted average MSCI Score must be higher than the market score (represented by the ICE BofA Global High Yield Index (USD Hedged)).



ESG Criteria to select corporate bonds - Carbon intensity

The fund's weighted average carbon intensity (WACI) of the corporate bonds held by the fund was 164.4 tCO₂e/£m sales and was lower than that of the index WACI of 370.9 tCO₂e/£m sales. Carbon intensity is a term used to measure a company's carbon emissions. It helps determine the environmental impact of producing energy, manufacturing products, or running a business. The lower the carbon intensity number the better. The fund can invest in corporate bonds of companies with high or low carbon emissions, but the overall WACI must be lower than the market WACI (represented by the ICE BofA Global High Yield Index (USD Hedged)).

Carbon emissions (expressed in tonnes CO₂ per million pound of sales) fall into 2 categories

Scope 1 Emissions refer to greenhouse gas emissions from sources a company owns or controls directly. For example,

burning fuel in its fleet of vehicles.

Scope 2 Emissions are the indirect greenhouse gas emissions from the generation of electricity, steam, heat or cooling that a company purchases and uses. For example, the emissions from generating the electricity to power its buildings.



ESG Criteria to select corporate bonds - ESG Themed Bonds

The fund held 4.1% in ESG Themed Bonds as at 31 December 2025. These bonds are issued by companies or governments to raise money to achieve specific pledges beneficial to the environment or society.

Exclusionary Approach

The fund manager excludes or restricts investment in companies that harm the environment and society. The fund manager uses data from independent data vendors such as MSCI and Bloomberg to filter out companies for exclusion, but this data is supplemented by the fund manager’s sustainability research, which may result in filtered out companies being included for valid reasons as described in the Prospectus.

Environmental			Social			Governance		
Thermal Coal Extraction 5%	Nuclear Power Generation 5%	Genetically Modified (GM) Crops 5%	Controversial Weapons 0%	Defence and Other Weapons 5%	Tobacco 5% Producers 10% Distributors	Sovereign Good Governance Sovereigns / countries that flag as non-cooperative tax jurisdictions, subject to UN or EU Sanctions; politically unstable or corrupt.	Corporate Good Governance Companies assessed to be in severe, repeated and/or systemic breach of international global norms (where engagement is unlikely to remediate/mitigate risk of recurrence).	ESG Laggards Companies lagging its industry based on how they manage ESG risks (MSCI ESG rating of B or CCC unless M&G’s in-house ESG assessment takes a different view).
Oil and Gas Extraction 5%*	Carbon intensive power generation 10%*coal, 30%*oil and gas	Oil and Gas Related Activities 5%*	Alcohol for Consumption 5% Producers 10% Distributors	Adult Entertainment 5% Producers 10% Distributors	Gambling 5% Providers			

All percentages stated are the maximum revenue threshold that a company is permitted to have in the excluded activity.


*This means we may consider a company which exceeds this revenue threshold for investment where it has been assessed and determined not to cause significant environmental or social harm.


Sustainability Metrics

Key performance indicator (KPI) data as at 31 December 2025 show that the fund achieved all of its sustainability criteria.

For the KPI showing the percentage of the fund held in excluded investments, the fund held 0% in these as at 31 December 2025. However, during the reporting period there was one investment that breached this exclusionary approach. This was an inadvertent breach meaning it could not reasonably have been prevented. United Rentals (North America) Inc became excluded after updated data showed that its revenue from oil and gas-related activities rose above the fund’s maximum company revenue threshold of 5%. The changes were detected through regular monitoring and the investment was sold as soon as reasonably possible. This instance was temporary in nature, did not reflect a change in the fund’s sustainability approach, and was addressed promptly to protect investors and maintain alignment with the fund’s stated exclusionary approach.

Main KPIs	Outcome as at 31 st December 2025	Sustainability criteria achieved?
% of the fund held in ESG Assets. The value must be at least 70%.	72.1%	✓
% of the fund held in excluded investments. To meet the Exclusionary Approach, this must be 0%.	0% (see commentary above in relation to breaches during the reporting period)	✓ (achieved as at 31 December 2025 and for the majority of the reporting period)
The Weighted Average MSCI ESG Scores of the corporate bonds held by the fund must be higher than the index score (represented by the ICE BofA Global High Yield Index (USD Hedged)).	Fund MSCI ESG Score: 6.3 Index MSCI ESG Score: 5.6	✓

	<p>The weighted average carbon intensity (WACI) of the corporate bonds held by the fund must be lower than the WACI of the index (represented by the ICE BofA Global High Yield Index (USD Hedged)). The WACI is CO₂ emissions expressed in tonnes per million pound of sales.</p>	<p>Fund: 164.4 Index: 370.9</p>	<p>✓</p>
<p>WACI is calculated using the overall carbon emissions of each company based on its reported Scope 1 and Scope 2 emissions. When a fund invests in green bonds, WACI captures issuer level emissions and is not adjusted to reflect the emissions attributable to the green project the bond is funding, which will have a lower carbon impact than the issuer as a whole.</p>			

	<p>% of the fund held in ESG Themed Bonds. There is no minimum requirement.</p>	<p>4.1%</p>	<p>N/A – there is no minimum requirement</p>
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No Material Deviations

M&G Securities Limited’s approach to governing and managing sustainability-related risks and opportunities in relation to this Fund does not materially deviate from the approach applied at entity level as disclosed in the Governance and Risk management sections of the sustainability entity report ([magim-sustainability-entity-report.pdf](#)).

The Fund also applies the baseline commitments on controversial weapons, thermal coal and global norms as outlined in the Strategy section of the sustainability entity report. Fund level commitments are covered within the Sustainability Approach section of this product report.

More Information

For more information on the sustainability and non-sustainability features of the Fund, please visit www.mandg.co.uk/funds where you will find a copy of the Fund’s Prospectus, Instrument of Incorporation and the latest annual or interim Investment Report and Financial Statements. Please also refer to the Fund’s UK Key Investor Information Document (KIID), Consumer-Facing Disclosure and glossary applicable to the share class you are considering investing in or obtain this through your financial adviser.

The KIID and CFD are available on our website at <https://www.mandg.com/investments/professional-investor/en-gb/funds/mg-esg-screened-global-high-yield-bond-fund/gb00bjrcb864#performance>

The fund’s Task Force on Climate-Related Financial Disclosures (TCFD) Product Report forms part of this sustainability report with respect to climate-related disclosures, including information on data integrity (data coverage, data gaps and data quality). It is available at <https://www.mandg.com/dam/investments/common/gb/en/documents/funds-literature/tcf-d-product-reports/mandg-esg-screened-global-high-yield-bond-fund-esgbd-tcf-d-report.pdf>

Please note that financial terms such as costs and charges vary between share classes so it is important to be careful to read the correct KIID.

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

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