

## **Important Information**

### **M&G (Lux) Investment Funds 1 (the ‘Company’)**

#### **This document is important and requires your attention**

We are writing to inform you of changes we are making to the Company’s sub-funds (the “Funds”), some of which you are invested in. You do not need to take any action, but we recommend that you read any section relevant to you carefully.

All changes are reflected in an updated version of the Prospectus available on our website **[www.mandg.com](http://www.mandg.com)** or by contacting our Customer Services team using the contact details below. You should also refer to the Prospectus for a detailed description of the risks associated with the Fund(s) you are invested in.

Other changes may have been made to the Prospectus that are not mentioned in this letter. Defined terms used in this letter have the same meaning as in the Company’s Prospectus, unless otherwise defined hereafter.

Please note that some of the Funds disclosed in this letter may not be registered and/or authorised for distribution in your country. The purpose of this letter is to inform shareholders who have already invested in one or more of the Funds disclosed in this document. This letter should therefore not be considered or read as any form of marketing.

Defined terms used in this letter have the same meaning as in the Company’s Prospectus, unless otherwise defined hereafter.

#### **Making changes to your investment**

You may sell your investment in any of the Funds affected by the changes, or switch it to another sub-fund of the Company, free of charge, at any point before or after the changes have taken place subject to our terms and conditions.

#### **For more information**

If you are in any doubt as to the action to be taken or require further information, please do not hesitate to contact your usual M&G contact or, for operational queries, our Customer Services team by email at **[csmandg@caceis.com](mailto:csmandg@caceis.com)** or by telephone on +352 2605 9944. We are open from 09:00 to 18:00 CET Monday to Friday. For security and to improve the quality of our service we may record and monitor telephone calls.

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser.

29 February 2024

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## **1. Changes to M&G (Lux) Global Emerging Markets Fund**

**If you are not a Shareholder in the Fund, you do not need to read this section.**

Effective from **Wednesday 17 April 2024**, we will add a provision to the Investment Policy of the Fund to allow for up to 10% of the Fund's Net Asset Value to be invested in convertible bonds.

**The Fund's Investment Objective and Investment Approach will remain unchanged. The change will not result in any immediate changes to the Fund's portfolio, and we do not expect any material change to its liquidity and risk profiles. You do not need to take any action as a result of this letter.**

### **Why is the change happening?**

The inclusion of convertible bonds in the Fund's Investment Policy will allow the Fund greater flexibility in situations where the convertible bonds offer a more attractive investment proposition from a pricing and risk perspective than the associated equities.

### **Additional Prospectus disclosure amendments**

In addition to the change to the Fund's Investment Policy, the Fund's Main Risks section will be updated to include the convertible bond risk.

### **Legal and administration costs associated with the changes**

All legal and administration costs associated with the changes will be borne by M&G.

**Enc:** Appendix A: Comparison of the current and revised Prospectus disclosures for the M&G (Lux) Global Emerging Markets Fund

## **2. Changes to the eligibility criteria for investment in L and LI Share Classes**

**This section is only relevant to you if you hold L and/or LI Shares in an M&G fund. If you do not hold such Shares, you do not need to read it.**

**Please note that the changes will not impact existing investment(s) in L and/or LI Shares, or existing investors' ability to add to that/these investment(s) in that M&G fund.**

Effective from Wednesday **13 March 2024** (the “**Effective Date**”), L and LI Share Classes, which are currently only available to eligible new investors for a limited period after their launch date, will instead remain indefinitely available to eligible new investors until that Fund reaches a Net Asset Value (NAV) of €400m. The minimum investment and holding amount criteria for these Share Classes will remain unchanged.

The Prospectus Share Class “Eligible Investors” definitions for L and LI Share Classes will be updated to reflect the change, and the table in Appendix B at the back of this letter provides a comparison of these definitions before and after the Effective Date.

The Management Company shall solely determine, after a Fund has reached €400m in NAV, as to when / from which date the L and LI Share Classes of that Fund shall be closed (“Soft Closed”) to any new investors.

Existing L and LI Shareholders in that Fund will continue, as currently, to be able to purchase further L or LI Share Classes after that Fund has been determined to be Soft Closed. Any other investor requests received for subscription into the L or LI Share Classes of that Fund shall be rejected once the Share Class has been Soft Closed.

### **Why are the changes happening?**

We believe that basing eligibility on fund size, rather than a set timeframe, is more appropriate as it will enhance asset growth opportunities for the funds offering these shares, improve their long-term viability and bring about the potential for economies of scale that can result in a reduction of fixed costs for investors.

There will be no impact on Share Classes that have already been Soft Closed to new investors.

### **Costs of the changes**

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

### 3. Notification of transfer of Shareholder data

As of Wednesday 13 March 2024, the Company has instructed its management company, M&G Luxembourg S.A., (the “**Management Company**”) to transfer certain data (including personal data) relating to you, to an external service provider in the context of the project described below.

The M&G group (“**M&G**”) is seeking to enhance its data collection and consolidation process (the “**Data Consolidation**”), including for the data used to help determine its assets under management (“**AUM**”). We believe this enhancement will help to improve the quality of its shareholder and management reporting.

#### I. The Data Consolidation

As part of this undertaking, M&G, the Company and the Management Company have appointed a third party service provider (hereinafter, the “**Subcontractor**”) who will build a bespoke integrated, robust and scalable AUM and flow intelligence solution for the purpose of data collection and consolidation.

M&G, the Company and the Management Company rely on service providers for data collection and data consolidation in order to ensure its communications with shareholders and regulators are based on reliable, accurate data. To assist with this process globally, the Company and the Management Company in particular may use third party service providers who may be domiciled outside the European Union, and who may have their own service providers (together, “**Data Consolidators**”).

In order to operate the Data Consolidation, the Company has instructed the Management Company and/or the appointed registrar and transfer agent of the Company, CACEIS Investor Services Bank S.A. to share data with the Subcontractor and the Data Consolidators. You will find more details on that data sharing in the “Transfer of Shareholders’ Confidential Information” section of the Prospectus.

#### II. Information on personal data processing

Pursuant to Article 13 of the EU General Data Protection Regulation No 2016/679 (“**GDPR**”), the Company acting in its capacity as data controller, hereby informs you that the Company will transfer personal data about shareholders to sub-processors as referred to in the “Transfer of Shareholders’ Confidential Information” section referred to above. Such transfer will rely on appropriate safeguards as permitted or required under the GDPR.

Shareholders will find detailed information on the personal data processing activities carried out by the Company in its capacity as data controller in the Data Privacy Notice, as amended from time to time, included with the application form signed by shareholders.

#### **Additional information**

If you have any questions related to data protection, please email us at [privacy.team@mandg.com](mailto:privacy.team@mandg.com)

For any other questions on the information included in this section, please contact us using the details at the front of this document.

## Appendix A

### Comparison of current and revised Prospectus disclosures for M&G (Lux) Global Emerging Markets Fund

The changes are highlighted in **bold**.

**Please note that the Investment Objective, Investment Strategy, EU Sustainable Finance Disclosure Regulation and ESG Information sections are unchanged, and therefore not listed below.**

You may notice that Investment Policy wording listed below differs from that in the Fund's Key Information Documents (KIDs)\*. This is because the Prospectus describes the full scope of the tools available to the fund manager and the limitations within which they must operate, whereas the information listed in the K(I)IDs provides a shorter description. K(I)IDs based on the Fund's new Prospectus Investment Policy will be available to view at [www.mandg.com](http://www.mandg.com) on the date which the changes become effective.

\* Or Key Investor Information Documents (KIIDs) for UK investors

Existing Investment Policy (effective until Tuesday 16 April 2024)	Updated Investment Policy (effective from Wednesday 17 April 2024)
<p>The Fund invests at least 80% of its Net Asset Value in the equity securities of companies domiciled in, or conducting the major part of their economic activity in, emerging markets.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund invests in securities that meet the ESG Criteria, applying an Exclusionary Approach and Positive ESG Tilt as described in the precontractual annex to this Fund Supplement.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>	<p>The Fund invests at least 80% of its Net Asset Value in the equity securities <b>and convertible bonds</b> of companies domiciled in, or conducting the major part of their economic activity in, emerging markets. <b>As from 17 April 2024, the Fund may hold up to 10% of its Net Asset Value in convertible bonds.</b></p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund invests in securities that meet the ESG Criteria, applying an Exclusionary Approach and Positive ESG Tilt as described in the precontractual annex to this Fund Supplement.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>
<p><b>Main Risks</b></p> <p>The Fund is exposed to the following main risks typically associated with the securities and instruments the Fund invests in or uses to seek to achieve its investment objective.</p> <ul style="list-style-type: none"> <li>• Capital &amp; income will vary</li> <li>• Emerging markets</li> <li>• China</li> <li>• Currency &amp; exchange rate</li> <li>• Liquidity</li> <li>• Specific asset class, region or sector</li> <li>• Smaller companies</li> <li>• Counterparty</li> <li>• ESG data</li> </ul> <p>Investors should read the section "Risk Factors" for a full description of risks.</p>	<p><b>Main Risks</b></p> <p>The Fund is exposed to the following main risks typically associated with the securities and instruments the Fund invests in or uses to seek to achieve its investment objective.</p> <ul style="list-style-type: none"> <li>• Capital &amp; income will vary</li> <li>• Emerging markets</li> <li>• China</li> <li>• Currency &amp; exchange rate</li> <li>• Liquidity</li> <li>• Specific asset class, region or sector</li> <li>• Smaller companies</li> <li>• Counterparty</li> <li>• <b>Convertible bonds</b></li> <li>• ESG data</li> <li>• Investments Exclusions</li> </ul> <p>Investors should read the section "Risk Factors" for a full description of risks.</p>

**Appendix B**  
**Comparison of current and updated Share Class “Eligible Investors” definitions**  
**for L and LI Share Classes**

	<b>Eligible Investors – effective until Tuesday 12 March 2024</b>	<b>Eligible Investors – effective from Wednesday 13 March 2024</b>
<b>Class L</b>	<p>Available to certain investors, approved by the Management Company, who:</p> <ul style="list-style-type: none"> <li>• subscribe within a certain period of the launch date of the Fund; and</li> <li>• meet the minimum investment criteria</li> </ul> <p>Offered for a restricted time only and may be at a reduced Annual Management Charge.</p> <p>Any investors who have acquired access to this Share Class can continue investing in this Share Class even after the initial period has passed.</p>	<p>Available to certain investors, approved by the Management Company, who:</p> <ul style="list-style-type: none"> <li>• subscribe when the Fund is smaller than €400m in size; and</li> <li>• meet the minimum investment criteria</li> </ul> <p>Offered only when the Fund is smaller than a certain size, at the sole discretion of the Management Company, and may be at a reduced Annual Management Charge.</p> <p>Any investors who have acquired access to this Share Class can continue investing in this Share Class even after the Fund size stated above has been reached or exceeded.</p> <p>At its absolute discretion, the Management Company may increase the Fund size stated above, below which Class L Shares may be purchased or waive the minimum investment criteria.</p>
<b>Class LI</b>	<p>Available to Institutional Investors who:</p> <ul style="list-style-type: none"> <li>• are approved by the Management Company; and</li> <li>• subscribe within a certain period of the launch date of the Fund; and</li> <li>• meet the minimum investment criteria</li> </ul> <p>Offered for a restricted time only and may be at a reduced Annual Management Charge.</p> <p>Any Institutional Investors who have acquired access to this Share Class can continue investing in this Share Class even after the initial period has passed.</p>	<p>Available to certain Institutional Investors, approved by the Management Company, who:</p> <ul style="list-style-type: none"> <li>• subscribe when the Fund is smaller than €400m in size; and</li> <li>• meet the minimum investment criteria</li> </ul> <p>Offered only when the Fund is smaller than a certain size, at the sole discretion of the Management Company, and may be at a reduced Annual Management Charge.</p> <p>Any Institutional Investors who have acquired access to this Share Class can continue investing in this Share Class even after the Fund size stated above has been reached or exceeded.</p> <p>At its absolute discretion, the Management Company may increase the Fund size stated above, below which Class LI Shares may be purchased or waive the minimum investment criteria.</p>