

30 August 2024

Dear Shareholder

Important changes to M&G (Lux) Global Listed Infrastructure Fund (the “Fund”),
a sub-fund of M&G (Lux) Investment Funds 1 (The “Company”)

You do not need to take any action, but we recommend that you read this letter carefully.

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

I am writing to inform you of changes to the Fund’s promoted Environmental and Social characteristics. The changes, which are listed below, will become effective on Tuesday 1 October 2024 (the “**Effective Date**”).

We have decided not to renew the Febelfin ‘Towards Sustainability’ label (the “**Label**”) for the Fund as we believe that the changes recently introduced to the Label’s “Quality Standards” have resulted in the Label no longer aligning with the Fund’s Investment Strategy. As a result, the Fund ceased to carry the Label on 30 June 2024. The Fund will however continue to comply with previously applicable Quality Standards until the Effective Date.

From the Effective Date:

1. The Fund’s Environmental, Social and Governance (“**ESG**”) exclusions will change:
 - a. The fund exclusions based upon the Quality Standards will cease to apply; and
 - b. the remaining fund exclusions will be adjusted to our “Planet+ baseline” used by our ESG Enhanced range of funds. We will also categorise the Fund as ESG Enhanced.
2. A “Positive ESG Tilt” will be added, consistent with our approach to ESG Enhanced for equity funds. This will require the Fund to maintain a weighted average ESG rating which is either above the average ESG rating of its benchmark, or equivalent to at least an MSCI A rating, whichever is lower.
3. The promoted characteristic regarding United Nations Sustainable Development Goals (“**SDGs**”) will change:
 - a. The Label feature “minimum 70% in SDG-aligned investments” will be removed; but
 - b. The Fund will continue to promote the consideration of the SDGs as part of its investment process and will continue to report on this as a key sustainability indicator. Note however that “SDG contribution”, rather than “SDG-alignment”, will be used as key sustainability indicator for the Fund.

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4. The minimum sustainable investment commitment will be reduced from 51% to 40%. This remains significantly higher than the usual commitments given by our ESG Enhanced range.
5. The FTSE Global Core Infrastructure 50/50 Net Return Index will be introduced as an additional benchmark for comparison purposes for the Fund in response to investor demand.

The Fund's Investment Objective and Investment Strategy will remain unchanged, and it will remain classified as Article 8 under the Sustainable Finance Disclosure Regulation ("SFDR"). There will be no material change to the Funds' overall liquidity and risk profiles. The changes will not result in any immediate changes to the Fund's portfolio.

Background and reasons for the changes

The Label recognises funds that adhere to specific "Quality Standards" for sustainable and socially responsible investing set by Febelfin, the Belgium Federation for the financial sector. In 2023, Febelfin published a number of proposed changes to the Quality Standards, and we no longer believe that these are in keeping with the Fund's Investment Strategy. We consider the portfolio changes which the revised Quality Standards would require could be prejudicial to the Fund's pursuit of its Investment Objective. The Fund therefore did not renew its Label, which expired on 30 June 2024.

Details of the changes

- **Changes to ESG exclusions**

We will remove the exclusions that are currently applied to the Fund to comply with the Quality Standards. In addition, we will make further changes to the Fund's exclusions to align them with the standard M&G Planet+ set of exclusions and make them consistent with our ESG Enhanced equity fund range.

The combined effect of these changes means that from the Effective Date, companies involved in nuclear power generation, conventional oil and gas extraction, or alcohol will no longer be excluded, and our approach to thermal coal will align to the M&G Investments Thermal Coal Exclusion Policy. Details of this policy can be found on our website.

- **Additional ESG characteristic: Implementation of a Positive ESG Tilt approach**

The Fund will commit to delivering a weighted average ESG rating that is either above the average ESG rating of the Fund's primary benchmark, the MSCI ACWI Net Return Index, or at least equal to the MSCI A rating – whichever is lower. You should however note that the Fund may nonetheless invest across the full spectrum of ESG ratings.

- **Removal of minimum 70% SDG-alignment restriction**

Under the terms of the Quality Standards, the Fund is required to hold at least 70% of its NAV in SDG-aligned investments. Although this requirement will be lifted as a result of the removal of the Label, the Fund will continue to consider the SDGs as part of its investment process. Note however that "SDG contribution", rather than "SDG-alignment", will be used as key sustainability indicator for the Fund as a result of the change.

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- **Change to minimum sustainable investment commitment**

We will reduce the aggregate minimum commitment to sustainable investments from 51% to 40%. This remains significantly higher than the usual commitments given by our ESG Enhanced range.

- **Additional change: introduction of an additional benchmark for comparison purposes**

The FTSE Global Core Infrastructure 50/50 Net Return Index has been added in response to specific client requests for the provision of a comparison against a listed infrastructure benchmark. The Benchmark section of the Fund's Prospectus will be updated accordingly.

Note that the Fund's current benchmark, the MSCI ACWI Net Return Index, will continue to be used as the Fund's primary benchmark and comparator to assess the Fund's financial objective, and will also be used for Positive ESG Tilt calculation purposes.

The Fund's online Sustainability-Related Disclosures and precontractual annex within the Prospectus, which together include details on ESG exclusions applicable to each Fund and information on our good governance screens, will be updated from the Effective Date. The Disclosures can be found on our website at www.mandg.com/country-specific-fund-literature

Administration costs associated with the changes

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

Making changes to your investment

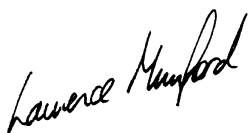
You may sell your investment, or switch it to another sub-fund of the Company, free of charge, at any point before or after the changes have taken place subject to our terms and conditions.

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 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.

Yours sincerely

A handwritten signature in black ink that reads "Laurence Mumford".

Laurence Mumford
Chair, M&G (Lux) Investment Funds 1