

The M&G Savings Plan

Target Market Information



The M&G Savings Plan is designed with a wide target market of investors in mind – those looking to invest regularly in M&G funds directly and preferring to deal over the phone and receive statements by post.

What is The M&G Savings Plan?

The M&G Savings Plan offers investors a way to invest in M&G Open-Ended Investment Companies (OEICs) on a regular basis (monthly, quarterly, semi-annually or annually) outside of the Individual Savings Account (ISA), for example for investors who have already used their annual ISA allowance.

The M&G Savings Plan is provided by M&G Securities Limited and can be held individually or jointly with another person. Direct retail investors may invest as much or as little as they want in M&G funds, including actively and passively managed options, with no yearly upper limit. Growth or income on investments are potentially subject to tax. Investments can be accessed at any time or transferred to someone else later.

What type of clients/investors is this designed for?

- ✓ Retail client/investor
- ✗ Professional client/investor (eg trustees/corporates)

Target market – investor’s knowledge and experience

Investor type	Description	Appropriate for target customer?
Basic	<ul style="list-style-type: none">• Basic knowledge of relevant financial products and the features of this specific product.• Can make an informed investment decision, perhaps based on the advice/recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer.• Basic financial industry experience.	✓
Informed	<ul style="list-style-type: none">• Reasonable knowledge of relevant financial products and the features of this specific product.• Can make an informed investment decision, perhaps based on the advice/recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer.• Some financial industry experience.	✓
Advanced	<ul style="list-style-type: none">• Good knowledge and experience of relevant financial products and the features of this specific product.• Can make an informed investment decision, perhaps based on the advice/recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer.	✓

Key: ✓ Yes ✗ No — In some circumstances

Target market – investor’s age

Investor’s age	Description	Appropriate for target customer?
Under 18	The M&G Savings Plan is not available for anyone under 18 years of age.	✗
18-40	This age group is within the target market for The M&G Savings Plan. Other products such as an ISA or Lifetime ISA may be more appropriate for eligible investors depending on their specific needs and objectives and if they have remaining ISA allowance.	✓
41-85	This is the main target market for The M&G Savings Plan – those looking for potentially better investment returns than investing in cash.	✓
Over 85	Not in the main target market as less likely to be able to invest for the minimum 5-10 years investment horizon.	—

Target market – investor’s financial situation

Investor’s financial situation	Description	Appropriate for target customer?
Constrained (No funds to invest)	Not suitable for their needs.	✗
Limited (Less than 3-6 months’ income in savings)	May be suitable, especially if the investor has no remaining ISA allowance.	✓
Good (At least 3-6 months’ income in savings)	May be suitable, especially if the investor has no remaining ISA allowance, or if the sums available for investment are very large and ISA isn’t right for their needs.	✓

Target market – investor’s risk tolerance

Risk tolerance	Description	Appropriate for target customer?
Zero	The M&G Savings Plan does not offer any OEICs that protect against capital loss.	✗
Low to Medium Medium Medium to High	The M&G Savings Plan offers access to a range of active and passive OEIC funds. The funds span a range of risk levels and typically include ‘building block’ type funds for use within a diversified portfolio – which may or may not all be invested with M&G – according to the investor’s attitude to investment risk.	✓
Very High	The available fund choice doesn’t extend to the highest risk rating, but concentrations of high-risk investments may be suitable as part of a wider diversified portfolio.	—

Target market – investor’s needs and objectives

Need/Objective	Description	Appropriate for target customer?
Traditional servicing	The investor prefers to deal over the phone and receive paper statements by post.	✓
General savings	The investor is looking to build an investment holding.	✓
Investment consolidation	The investor is looking to consolidate investments together into one place for economies of scale and efficient management.	✓
Unrestricted investment amounts	The investor is wanting to make regular or one-off large investments that would breach HMRC limits on ISAs.	✓
Flexible access	The investor is looking for the ability to take one-off and/or regular withdrawals whenever they need to cater for changing personal needs and circumstances.	✓
Passing on investments on death	The investor is looking to be able to pass on the value of their account to their spouse/civil partner on their death.	✓
Medium-long term investment horizon (normally at least 5-10 yrs)	The investor is looking to invest for the medium to long term as part of long-term income planning.	✓

Who are The M&G Savings Plans **not** suitable for?

Need/Objective	Description	Appropriate for target customer?
Digital service	The product is not suitable for an investor who prefers to engage with the product digitally for lower charges (eg deal online and pick up their documents in their online document store).	✗
Short-term investment horizon	The product is not suitable for an investor looking to invest only for a very short period, ie, less than 5 years.	✗
Capital preservation	The product is not suitable for an investor primarily looking for preservation of existing capital in all circumstances (ie they have no tolerance for investment risk).	✗
Very high investment risk	The product is not suitable for investors looking for very high risk investments.	✗
Guarantees	The product is not suitable for investors looking for a guaranteed return of at least their money back or a level of guaranteed return on their investments.	✗
Tax-efficiency	The product is not suitable for an investor looking for tax-efficient investments such as ISA.	✗

How can you invest in this product?

Initial sale		Appropriate for target customer?
Execution-Only*	The M&G Savings Plan is available on an execution-only basis.	✓
Non-Advised	The M&G Savings Plan is available on a non-advised basis.	✓
Advised	The M&G Savings Plan is available on a direct advised basis. No adviser charging is facilitated.	✓

Top-ups		Appropriate for target customer?
Execution-Only*	Single and/or regular contribution top-ups and additional transfers-in can be made by customers on an execution-only basis.	✓
Non-Advised	Single and/or regular contribution top-ups and additional transfers-in can be made by customers on a non-advised basis.	✓
Advised	Single and/or regular contribution top-ups and additional transfers-in can be made on a direct advised basis. No adviser charging is facilitated.	✓

* Execution-only covers situations where the customer has an adviser but is transacting without advice.