Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

M&G European Sustain Paris Aligned Fund

a sub-fund of M&G Investment Funds (1)
Sterling Class I – Accumulation shares ISIN no. GB00B5ZSNC68
Managed by M&G Securities Limited

Objective and investment policy

The fund has two aims:

- To provide a combination of capital growth and income, net of the ongoing charge figure, that is higher than that of the MSCI Europe ex UK Index over any five-year period.
- To invest in companies that contribute towards the Paris Agreement climate change goal.

Core investment: At least 80% of the fund is invested directly in the shares of companies, across any sector and of any size, that are based, or do most of their business, in Europe, excluding the UK. The fund is concentrated and usually holds shares in fewer than 35 companies. The fund invests in securities that meet the ESG Criteria and Sustainability Criteria. Norms-, sector- and/or values-based exclusions apply to investments. Investments via other funds or derivatives, and in cash or near cash, may be subject to different ESG Criteria and/or Sustainability Criteria.

Other investments: The fund may invest in other funds (including funds managed by M&G) and cash or assets that can be turned into cash quickly.

Derivatives: The fund may use derivatives to reduce the risks and costs of managing the fund.

Strategy in brief: The fund manager makes long-term investments in the shares of undervalued companies with sustainable business models. Companies expected to contribute to the global warming objectives of the Paris Agreement, by either having a Low and/or a Reducing Carbon Intensity, are selected. Low Carbon Intensity means a carbon intensity lower than 50% of the weighted average carbon intensity of the benchmark. Sustainability considerations are fully integrated into the investment process.

Benchmark: MSCI Europe ex UK Index

The benchmark is the target for the fund's financial objective and is used to measure the fund's financial performance .The index has been chosen as the fund's benchmark as it best reflects the financial aspects of the fund's investment policy.

The benchmark is also used to define what a Low Carbon Intensity company is and to measure the fund's weighted average carbon intensity but does not otherwise constrain the fund's portfolio construction.

The fund is actively managed and within given constraints, 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, and as a result the fund's performance may deviate materially from the benchmark.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

The following information can be found on the M&G website:

- a glossary providing an explanation of some terms used in this document
- The Prospectus including the fund's objective and investment policy
- the fund's ESG Criteria
- any Annual Report to assess the fund's non-financial objective, when available.
- periodic reports on the fund's non-financial objective.

Other information

You can buy and sell shares in the fund on any business day. Instructions received before 12 noon will be dealt at that day's price.

Any income from the fund will be rolled up into the value of your investment.

In addition to the charges set out in the charges section, the fund will incur portfolio transaction costs which are paid from the assets of the fund. These can be higher when investing outside Europe.

Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

Risk and reward profile

Low risk ← → High risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	**6**	7

- The above risk and reward indicator is based on historical data and may not be a reliable indication of the future risk profile of this share class. This Share Class is categorised in risk class 6 because its Net Asset Value has shown high rises and falls in value historically.
- The risk number shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The main risks that could affect performance are set out below:

- The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.
- The fund holds a small number of investments, and therefore a fall in the value of a single investment may have a greater impact than if it held a larger number of investments.
- The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.
- In exceptional circumstances where assets cannot be fairly valued, or have to be sold at a large discount to raise cash, we may temporarily suspend the fund in the best interest of all investors.
- The fund could lose money if a counterparty with which it does business becomes unwilling or unable to repay money owed to the fund.
- Operational risks arising from errors in transactions, valuation, accounting, and financial reporting, among other things, may also affect the value of your investments.

Further details of the risks that apply to the fund can be found in the fund's Prospectus at www.mandg.co.uk/literature

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Charges

The charges shown in the table are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	0.00%
Exit charge	0.00%
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charge	0.55%
Charges taken from the fund under certain specific conditions	
Performance fee	None

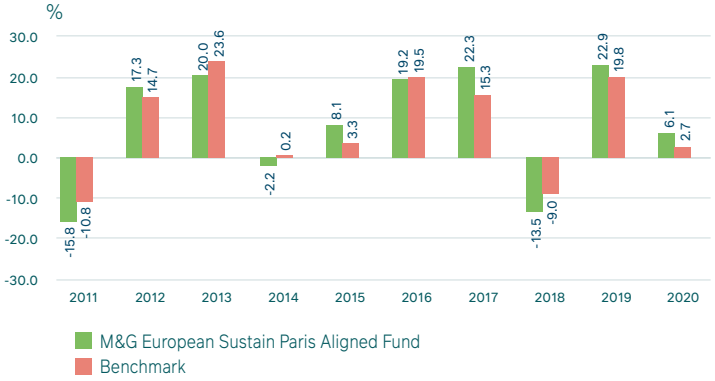
The entry and exit charges shown are the maximum figures and, in some cases, you may pay less. You can find out the exact charges which apply to your investment by contacting your financial adviser or distributor or, if you have invested directly with us, you can contact us using the details given in the practical information section.

The above ongoing charge figure is an estimate of the charges because of a change to the charging structure with effect from 15 February 2021.

The ongoing charge figure may vary from year to year and excludes portfolio transaction costs. The charges are mostly, if not exclusively, the Annual Charge which may be discounted depending on the size of the fund. The Annual Charge without any discount is 0.55%. The fund's annual report for each financial year will include details on the exact charges made.

For more information on charges, please see the relevant sections of the Prospectus at www.mandg.co.uk/literature

Past performance



- Past performance is not a guide to future performance.
- Performance calculation includes UK taxes. It does not take into account the entry and exit charges but does take into account the ongoing charge and the Performance fee, as shown in the charges section.
- The fund launched on 29 September 1989 and the Sterling Class I Accumulation share class launched on 03 August 2012.
- Sterling Class I - Accumulation shares do not have 10 complete years of past performance information available as they launched on 03 August 2012. Therefore, past performance information for Sterling Class A Shares has been used for the period.
- Benchmark performance has been calculated in GBP.
- The fund changed its name, investment objective and investment strategy – as reflected in the Objective and Investment Policy section on page 1 – on 31 August 2021. Prior to this date, the fund was named M&G Pan European Select Fund. Fund performance before this date was therefore achieved under different circumstances.
- Prior to 31 August 2021 the benchmark was MSCI Europe Index. With effect from 31 August 2021 the benchmark will be MSCI Europe ex UK Index.

Benchmark:
01 January 2011 to 31 December 2011 - FTSE World Europe Index
01 January 2012 to 31 December 2020 - MSCI Europe Index

Practical information

The depositary is NatWest Trustee and Depositary Services Limited.

For more information about this fund, please visit www.mandg.co.uk/literature where you will find a copy of the Prospectus, Instrument of Incorporation and the latest annual or interim Investment Report and Financial Statements. These documents are in English and are available free of charge. Our website also provides other information such as share prices.

UK tax laws apply to the fund, and this may affect your personal tax position. Please speak to an adviser for more information.

M&G Securities Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the fund.

The fund is a sub-fund of M&G Investment Funds (1), an umbrella Open Ended Investment Company (OEIC). The Prospectus, and annual or interim Investment Report and Financial Statements contain information about all of the sub-funds in M&G Investment Funds (1).

The assets of each sub-fund within the umbrella OEIC are segregated by law. This means that the assets belong exclusively to that sub-fund and shall not be used or made available to pay the debts of any other sub-fund or the umbrella OEIC.

You may switch between other sub-funds of M&G Investment Funds (1). An entry charge may apply. Details on switching are provided in the Important Information for Investors document and the fund's Prospectus, or by calling M&G Customer Relations on 0800 390 390.

Other share classes may exist for the fund as set out in the relevant Prospectus.

For up-to-date details of the staff remuneration policy that applies to M&G Securities Limited, including a description of how remuneration and benefits are calculated, the make-up of the remuneration committee, and the identities of persons responsible for awarding the remuneration and benefits, please visit www.mandg.co.uk/remuneration. We will provide a paper copy of this information, free of charge, if you require one.

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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.
This key investor information is accurate as at 31 August 2021.