

# 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 Global Listed Infrastructure Fund

a sub-fund of M&G Investment Funds (10)

Sterling Class I – Accumulation shares ISIN no. GB00BF00R928

Managed by M&G Securities Limited, which is part of the Prudential Group

### Objective and investment policy

#### Objective

The fund has two aims:

- To provide a combination of capital growth and income to deliver a return that is higher, net of the ongoing charge figure, than that of the MSCI ACWI Index over any five-year period; and
- To increase the income stream every year in sterling terms.

#### Policy

**Core investment:** At least 80% of the fund is invested in shares issued by infrastructure companies, investment trusts and real estate investment trusts of any size, that are domiciled in any country, including emerging markets\*. The fund usually holds shares in fewer than 50 companies. The minimum 80% allocation may include ordinary shares, preference shares and convertibles. Infrastructure companies include businesses in the following sectors: utilities, energy, transport, health, education, security, communications and transactions. Companies that derive more than 30% of their revenue from coal-fired and nuclear power are excluded from the investment universe, as are industries such as tobacco, alcohol, adult entertainment, gambling and controversial weapons. United Nations Global Compact principles on human rights, labour, environment and anti-corruption are also considered in the analysis of companies.

**Other investments:** The fund may also invest in other funds, cash and assets that can be turned quickly into cash.

**Use of derivatives:** Derivatives may also be used to manage risks, reduce costs and to manage the impact of changes in currency exchange rates on the fund's investments.

\* Emerging market countries are defined as those included within the MSCI Emerging Markets Index and/or those included in the World Bank's definition of developing economies, as updated from time to time.

#### Strategy in brief

The fund's stock selection is driven by in-depth analysis of individual infrastructure companies. The investment manager seeks to invest in businesses with excellent capital discipline and the potential for long-term dividend growth. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions. The fund is expected to exhibit lower fluctuations in returns and offer a higher dividend yield than the MSCI ACWI Index, which is consistent with the characteristics of infrastructure securities. Sustainability considerations encompassing Environmental, Social and Governance (ESG) issues are fully integrated into the investment process.

#### Glossary terms

**Bonds:** Loans to governments and companies that pay interest.

**Convertible bonds:** Bonds issued by companies that usually pay a set rate of interest and which can be exchanged for predetermined amounts of company shares.

**Derivatives:** Financial contracts whose value is derived from other assets.

**Dividend yield:** Annual income distributed as a percentage of the share price.

**Preference shares:** Loans to a company that may be traded in the same way as an ordinary share, but generally has a higher yield and pays dividends on fixed dates.

#### Other information

This fund allows the fund manager(s) to make discretionary choices when deciding which investments should be held in the fund.

You can buy and sell shares in the fund on any business day. Provided we receive your instructions before 12 noon, shares will be bought 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 may have a material impact on your returns.

### Risk and reward profile



- The above risk number is based on simulated historical data and may not be a reliable indicator of the future risk profile of the fund.
- 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 of investments and the income from them will rise and fall. This will cause the fund price, as well as any income paid by the fund, to fall as well as rise. There is no guarantee the fund will achieve its objective, and you may not get back the amount you originally invested.
- Changes in currency exchange rates will affect the value of your investment.
- This fund holds a relatively small number of investments and, as a result, may experience larger price rises and falls than a fund which holds a larger number of investments.
- The fund will invest in emerging markets which are generally more sensitive to economic and political factors, and where investments are less easily bought and sold. In exceptional circumstances, the fund may encounter difficulties when selling or collecting income from these investments, which could cause the fund to incur a loss. In extreme circumstances, it could lead to the temporary suspension of dealing in shares in the fund.
- Convertibles are subject to the risks associated with both bonds and company shares, and to risks specific to the asset class. Their value may change significantly depending on economic and interest rate conditions, the creditworthiness of the issuer, the performance of the underlying company shares and general financial market conditions. In addition, issuers of convertibles may fail to meet payment obligations and their credit ratings may be downgraded. Convertibles may also be less liquid than the underlying company shares.
- Where market conditions make it hard to sell the fund's investments at a fair price to meet customers' sale requests, we may temporarily suspend dealing in the fund's shares.
- Some transactions the fund makes, such as placing cash on deposit, require the use of other financial institutions (for example, banks). If one of these institutions defaults on their obligations or becomes insolvent, the fund may incur a loss.

A more detailed description of the risk factors that apply to the fund can be found in the fund's Prospectus.

## 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%
The entry charge is the maximum that might be taken out of your money before it is invested.	
Charges taken from the fund over a year	
Ongoing charge	1.10%
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 ongoing charge figure shown here is an estimate of the charges because the fund has only recently launched. The fund's annual report for each financial year will include details on the exact charges made. This figure may change from year to year. It excludes portfolio transaction costs.

**For more information on charges, please see the relevant sections of the Prospectus at [www.mandg.co.uk/literature](http://www.mandg.co.uk/literature)**

## Past performance

The fund launched on 05 October 2017. There is insufficient information available to provide a useful indication of past performance. Past performance information will be shown when the fund has been in existence for a complete calendar year.

## Practical information

The depositary is NatWest Trustee and Depositary Services Limited.

For more information about this fund, please visit [www.mandg.co.uk/literature](http://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 (10), 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 (10).

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 (10). 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](http://www.mandg.co.uk/remuneration). We will provide a paper copy of this information, free of charge, if you require one.

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 28 September 2018.