

# 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 (Lux) Global Listed Infrastructure Fund

a sub-fund of M&G (Lux) Investment Funds 1

Euro Class A – Accumulation shares ISIN no. LU1665237704

Managed by M&G Luxembourg S.A., which is part of the Prudential Group

### Objective and investment policy

The fund has two aims:

- To provide a combination of capital growth and income to deliver a return that is higher than that of the global equities market over any five-year period;
- To increase the income stream every year in US dollar terms.

**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 weapons. United Nations Global Compact principles on human rights, labour, environment and anti-corruption are also considered in the analysis of companies.

**Other investment:** 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.

**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 global stockmarket, 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.

**Performance comparator:** The fund is actively managed. The MSCI ACWI Net Return Index is a point of reference against which the performance of the fund may be measured. It is a net return index which includes dividends after the deduction of withholding taxes.

#### Glossary terms

**Convertibles:** 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 have a higher yield and pay dividends on fixed dates.

#### Other information

This fund allows the investment manager 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 13:00 Luxembourg time, 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 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 can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.
  - 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.
  - Investing in emerging markets involves a greater risk of loss due to greater political, tax, economic, foreign exchange, liquidity and regulatory risks, among other factors. There may be difficulties in buying, selling, safekeeping or valuing investments in such countries.
  - 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 and the performance of the underlying company shares. In addition, issuers of convertibles may fail to meet payment obligations and their credit ratings may be downgraded. Convertibles may also be harder to sell than the underlying company shares.
  - 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.
- Further details of the risks 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.

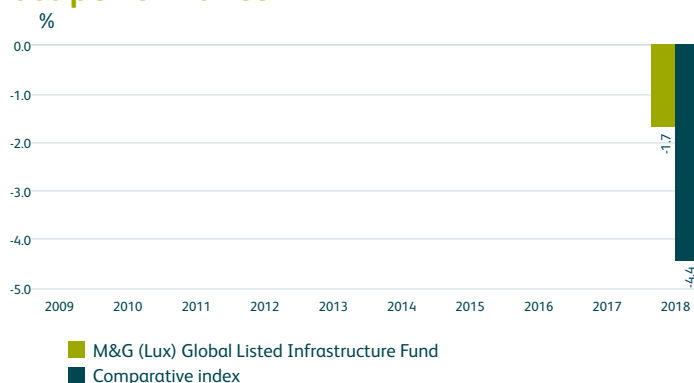
One-off charges taken before or after you invest	
Entry charge	4,00%
Exit charge	0,00%
The entry charge is the maximum that might be taken out of your money before it is invested.	
Charges taken from the fund over a year	
Ongoing charge	2,14%
Charges taken from the fund under certain specific conditions	
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 is based on expenses for the year ending 30 September 2018. 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.lu/literature](http://www.mandg.lu/literature)

## Past performance



- Past performance is not a guide to future performance.
- Past performance has been calculated including tax, the ongoing charge and the performance fee but excluding entry and exit charges.
- The Fund launched on 05 October 2017 and the Euro Class A Accumulation share class launched on 05 October 2017.
- Past performance is calculated using Euro Class A Accumulation shares.

### Comparative index:

01 January 2018 to 30 September 2018 - MSCI ACWI Gross Return Index  
01 October 2018 to 31 December 2018 - MSCI ACWI Net Return Index

## Practical information

The depositary is State Street Bank Luxembourg S.C.A.

For more information about this fund, please visit [www.mandg.lu/literature](http://www.mandg.lu/literature) where you will find a copy of the Prospectus, Articles 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.

This fund is subject to Luxembourg tax laws, and this may affect your personal tax position. Please speak to an adviser for more information.

M&G Luxembourg S.A. 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 (Lux) Investment Funds 1, an umbrella fund established as a Société d'investissement à capital variable (SICAV). The Prospectus, and annual or interim Investment Report and Financial Statements contain information about all of the sub-funds in M&G (Lux) Investment Funds 1.

The assets of each sub-fund within the umbrella SICAV 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 SICAV.

You may switch between other sub-funds of M&G (Lux) Investment Funds 1. An entry charge may apply. Details on switching are provided in the fund's Prospectus, or by calling M&G Customer Relations on +352 2605 9944.

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 Luxembourg S.A., 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.lu/remuneration](http://www.mandg.lu/remuneration). We will provide a paper copy of this information, free of charge, if you require one.

The Fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF). M&G Luxembourg S.A. is authorised in Luxembourg by the CSSF.

This key investor information is accurate as at 14 February 2019.