

Mitteilung an alle Anteilseigner der M&G Global Basics Fonds:

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

GB0030932676	M&G Global Basics Fund – A EUR Cap.
GB0030932452	M&G Global Basics Fund – A GBP Cap.
GB00B1RXYT55	M&G Global Basics Fund – A USD Cap.
GB0030932346	M&G Global Basics Fund – A GBP Dis.

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.

Letter to Shareholders

To the Shareholders of the M&G Global Basics Fund

19 September 2017

M&G Securities Limited
Laurence Pountney Hill
London EC4R 0HH

Dear Shareholder

Proposal to amend the investment objective and policy of the M&G Global Basics Fund, a sub-fund of M&G Investment Funds (1)

I am writing to inform you of our proposal to amend the investment objective and policy of the M&G Global Basics Fund (the "Fund"). This change requires Shareholder approval. If Shareholders approve this change, we will make other changes to the Fund that do not require Shareholder approval (see "Other changes" below).

The purpose of this Circular is to set out the details of the proposal and the expected benefits of the change and the procedure involved.

Comparison of the current and proposed investment objectives and investment policies

We have set out below a comparison of the current investment objective and investment policy of the Fund together with the new proposed investment objective and investment policy.

Current wording	Proposed wording
Investment objective The sole aim of the Fund is long term capital growth.	Investment objective The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the MSCI All Country World Index over any five-year period.
Investment policy The Fund is a global equity fund which invests wholly or mainly in companies operating in basic industries ('primary' and 'secondary' industries) and also in companies that service these industries. The Fund may also invest in other global equities.	Investment policy The Fund will invest at least 80 % of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets. The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes. Derivatives may be used for efficient portfolio management.

What changes are we making and why?

Under the proposal, the Fund's investment objective and policy will be changed, which we believe will increase the prospects for better returns for investors.

- **Proposed new investment objective**

We are proposing to amend the Fund's investment objective from one focused on long-term capital growth to one aiming to deliver a long-term total return (the combination of capital growth and income). This is because the fund manager will aim to maximise the combined effect of capital growth and income received by the Fund. The proposed investment objective also includes a market index as a point of reference against which to assess the Fund's performance.

The proposed change is not expected to have any effect on the return profile of the Fund as the Fund already holds companies that pay dividends. (Dividends represent a share in the profits of a company and are paid out to the company's shareholders at set times of the year.) Accordingly, there should be no investor tax implications as a result of these changes. Furthermore, the Fund's performance is already reported on a total return basis.

- **Proposed new investment policy**

We are proposing to remove the restriction currently placed on the Fund to invest wholly or mainly in companies that operate in basic industries ('primary' and 'secondary' industries such as mining and manufacturing) and also companies that service these industries.

The Fund's strategy since launch has been to assess structural trends in the global economy in order to identify companies that are positioned to benefit from these trends. Until recently, a large number of these companies either operated in basic industries, or serviced them. However, in recent years, new global themes have developed such as increased demand for healthcare and medicines to support an ageing population. Removing the basic industry restriction will enable the fund manager to take full advantage of the wider range of themes now developing in the global economy, which we believe will provide better return prospects for investors.

The proposed new investment policy also describes more explicitly the types of investments in which the Fund is permitted to invest. The proposed investment policy allows the Fund to invest in the equity securities of companies in any sector and of any size that are domiciled in any country, including emerging markets.

The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes. Derivatives may be used for efficient portfolio management.

The overall risk profile of the Fund will not be materially affected.

In addition to the changes above, the Prospectus and Key Investor Information Documents (KIIDs) of the Fund will be updated to include the Fund's "Investment Approach" as detailed below, which provides further details on the way the Fund is managed.

Investment approach

The investment process of the Fund combines top-down and bottom-up analysis. The fund manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks that can benefit from these themes are then selected on the basis of their quality, growth and valuation.

Themes are identified through a "top-down" analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

The Fund is invested across the market-cap spectrum and is geographically diversified.

Costs of the changes

Changes to the portfolio will take place over time and there will be no material portfolio realignment costs associated with the changes.

Your vote is required on our proposal

The proposed change to the Fund's investment objective and policy requires Shareholder approval of an Extraordinary Resolution at a Meeting of Shareholders on Friday 20 October 2017 (the "Meeting"). The procedure for the Meeting is set out in Appendix 1. The Extraordinary Resolution to enable the investment objective and policy to change is set out in the Notice of a Meeting of Shareholders in Appendix 2.

If approved, the change to the Fund's investment objective and policy, along with all the other changes mentioned below, will take place on Friday 17 November 2017 (the "Effective Date"). The changes will be binding on all Shareholders in the Fund (whether or not they voted in favour of it, or voted at all).

Details of the outcome of the Meeting will be available from 3.00pm on Friday 20 October 2017 on our website www.mandg.co.uk or can be obtained by calling our **Customer Relations** team free on **0800 390 390** between 8.00am and 6.00pm Monday to Friday and 9.00am and 1.00pm on Saturday. For your security and to improve the quality of our service we may record and monitor calls.

For Shareholders investing through myM&G, details of the outcome of the Meeting will be available from 3.00pm on Friday 20 October 2017 on our website www.mymandg.co.uk

What do you need to do?

We believe the proposed changes are in the best interests of Shareholders, and we encourage you to vote in favour of the proposals. How you can vote is explained in Appendix 1. To be passed, the Extraordinary Resolution requires a majority of not less than 75 % of the total number of votes validly cast, so it is important that you exercise your vote.

Whether or not you intend to be present at the Meeting, please complete and return the enclosed Voting Form(s) in the reply-paid envelope provided, to reach us no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017. Completion and return of the Voting Form(s) will not preclude you from attending the Meeting and voting in person if you so wish.

Making changes to your investment

Dealing in shares of the Fund will not be affected by any of the changes detailed above and you may buy or sell shares in the Fund at any point before or after the Effective Date subject to the Terms and Conditions. You may also switch to another fund within the M&G range. We will not make a charge for selling your shares or switching into another fund prior to the Effective Date.

If you hold an M&G ISA or M&G Junior ISA you may transfer to another ISA manager, subject to the Terms and Conditions. There will be no charge for selling and transferring your Shares, however, any other funds within your

M&G ISA or M&G Junior ISA will be subject to normal withdrawal fees, where applicable.

If you wish to sell or switch your shares, or transfer your M&G ISA or M&G Junior ISA prior to the Effective Date, please contact our **Customer Relations** team free on **0800 390 390** from 8.00am and 6.00pm Monday to Friday and from 9.00am and 1.00pm Saturday. Alternatively, please write to us at:

M&G Customer Relations
Freepost RLTZ-JCHJ-THJB
PO Box 9039
Chelmsford
CM99 2XG

For Shareholders investing through myM&G, if you wish to sell or switch your shares, or transfer your M&G ISA or M&G Junior ISA prior to the Effective Date, please log into your myM&G account.

Please note that where shares are held directly (not within the M&G ISA or M&G Junior ISA), a redemption or switch will be treated as a disposal of Shares for tax purposes and you may be liable to capital gains tax on any gains arising from the redemption or switch of your shares.

A redemption from or switch within the M&G ISA or M&G Junior ISA will not be treated as a disposal for tax purposes. Please note that withdrawals from a Junior ISA before the child is 18 can only be made in certain very limited circumstances. Please refer to the Important Information for Investors document for further information in relation to the M&G ISA or M&G Junior ISA. This document can be obtained from our website www.mandg.co.uk or by calling our **Customer Relations** team free on **0800 390 390** from 8.00am and 6.00pm Monday to Friday or from 9.00am and 1.00pm on Saturday.

For Shareholders investing through myM&G, please log in to your myM&G account and contact us via secure message or our Chat facility.

Other changes

- **Fund name change**
 If Shareholders vote in favour of our proposal to change the Fund's investment objective and policy, we will also change the name of the Fund to "M&G Global Themes Fund" to better reflect the new investment objective and policy.
- **Change of the Fund's performance comparator**
 Additionally, if Shareholders vote in favour of our proposal to change the Fund's investment objective and policy, we will change the Fund's performance comparator currently included in the Fund's factsheet and report and accounts from the FTSE Global Basics Composite Index to the MSCI All Country World Index better reflecting the proposed investment policy of the Fund.

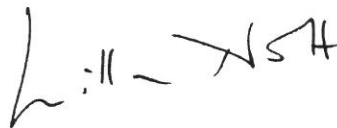
These changes do not require Shareholder approval.

For more information

If you used the services of a financial adviser when you purchased your Shares in the Fund, or are currently using the services of a financial adviser and are uncertain as to how to respond to this document, you should consult them for advice. If you have any questions concerning the proposal or any of the other changes, please contact our **Customer Relations** team free on **0800 390 390**, quoting your M&G client reference, between 8.00am and 6.00pm Monday to Friday and 9.00am and 1.00pm on Saturday.

For Shareholders investing through myM&G, please log in to your myM&G account and contact us via secure message or our Chat facility.

Yours faithfully



William Nott
Chief Executive Officer

for and on behalf of M&G Securities Limited
 (as Authorised Corporate Director of M&G Investment Funds (1))

APPENDIX 1

Procedure for the Extraordinary General Meeting of Shareholders (the “Meeting”)

The change of the Fund’s Investment objective and policy must be approved by Shareholders.

A Meeting of Shareholders will take place at the offices of M&G at Laurence Pountney Hill, London EC4R 0HH on Friday 20 October 2017.

Key dates

Action	Date
Qualification date for Shareholders	Tuesday 12 September 2017
Shareholders sent documentation	Tuesday 19 September 2017
Voting Form(s) to be returned by	11.30am BST/12.30pm CET on Wednesday 18 October 2017
Meeting	11.30am BST/12.30pm CET on Friday 20 October 2017
Subject to obtaining the approval of Shareholders at the Meeting on Friday 20 October 2017	
Changes take place	Friday 17 November 2017

The following notes should be read with the Notice of the Meeting of Shareholders set out in Appendix 2.

Extraordinary Resolution and voting

The Notice sets out the resolution to be proposed at the Meeting. The resolution will be proposed as an Extraordinary Resolution, and to be passed it must receive the support of at least 75 % of the total number of votes validly cast.

Those persons who hold Existing Shares on the date seven days (which M&G has determined to be a reasonable time in accordance with the Regulations) before the Notice of Meeting was sent out, but excluding persons who are no longer Shareholders at the time of the Meeting, are entitled to vote in respect of those Shares.

In view of the importance of the proposal, voting at the Meeting will be conducted on the basis of a poll ordered by the Chairman of the Meeting. This means that the Shares validly represented (in person or by proxy) at the Meeting will determine the outcome of the vote, rather than the number of persons at the Meeting. On a poll, the voting rights attached to each Share are proportional to the value of all Shares in issue seven days before the Notice of the Meeting is deemed to have been served. A Shareholder entitled to more than one vote on a poll need not, if they vote, use all their votes or cast all the votes they use in the same way. For Shares held jointly, where more than one holder votes, only the vote of the person appearing highest in the register of Shareholders can be accepted.

If passed by the requisite majority, the Extraordinary Resolution will be binding on all Shareholders, irrespective of how or whether they voted.

Appointment of Proxy – direct Shareholders

A Shareholder who holds Shares in the Fund directly (not through an M&G Savings Plan, M&G ISA or M&G Junior ISA) may appoint a proxy, who need not be another Shareholder, to attend and vote instead of him/her. To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned to: “The M&G Group, c/o Electoral Reform Services, London N81 1ER” no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017 (a reply-paid envelope has been provided for your use).

Voting instructions – Shareholders investing through myM&G

Shareholders (or Registered Contacts in respect of the M&G Junior ISA) who hold Shares in the Fund indirectly through myM&G are not entitled to vote themselves. However, indirect Shareholders (or Registered Contacts in the case of the M&G Junior ISA) can instruct M&G Platform Nominees Limited to vote on their behalf by completing the enclosed Voting Form(s).

To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned to “The M&G Group, c/o Electoral Reform Services, London N81 1ER” (a reply-paid envelope has been provided for your use). Voting Forms must be received no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017.

Voting instructions – Shareholders investing through a Group plan (the M&G Savings Plan, the M&G ISA, the M&G Junior ISA)

Shareholders (or Registered Contacts in respect of the M&G Junior ISA) who hold Shares in the Fund through a Group plan (the M&G Savings Plan, the M&G ISA, or the M&G Junior ISA) are not entitled to vote themselves. However, indirect Shareholders (or Registered Contacts in the case of the M&G Junior ISA) can instruct M&G Nominees Limited to vote on their behalf by completing the enclosed Voting Form(s).

To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned to "The M&G Group, c/o Electoral Reform Services, London N81 1ER" (a reply-paid envelope has been provided for your use). Voting Forms must be received no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017.

Voting instructions – Shareholders investing through the M&G Securities International Nominee Service

Shareholders who hold Shares in the Fund through the M&G Securities International Nominees Service are not entitled to vote themselves. However, they can instruct M&G International Investments Nominees Limited to vote on their behalf by completing the enclosed Voting Form(s).

To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned to "The Independent Scrutineer, Electoral Reform Services, PO Box 6352, London N1 1BR, Great Britain" (a reply-paid envelope has been provided for your use). Voting Forms must be received no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017.

Shareholders who hold Shares in the Fund both directly and through an M&G Group plan (the M&G Savings Plan or the M&G ISA) or through myM&G will each receive a Voting Form.

Shareholders who hold Shares as the Registered Contact in respect of the M&G Junior ISA, or who hold Shares through the M&G Securities International Nominee Service will receive a separate Voting Form.

Quorum

If a Quorum (being two Shareholders present in person or by proxy) is not present within a quarter of an hour (which shall be deemed a reasonable time) after the time appointed for the commencement of the Meeting, it will be necessary to adjourn it for at least seven days. In that event, notice will be given of the date, time and place of the adjourned meeting. If a Quorum is not present within a quarter of an hour at the adjourned meeting, one Shareholder entitled to be counted in a Quorum present in person or by proxy will constitute a Quorum regardless of the number or value of Shares held by them.

Chairman

The Chairman of the Meeting, and any adjourned meeting, will be nominated in writing by the Depositary.

M&G and Associates

M&G may only be counted in the Quorum and vote at the Meeting (and any adjourned meeting) where it holds Shares on behalf of, or jointly with, another person who, if that person were the sole registered Shareholder, would be entitled to exercise those rights and from whom M&G has received voting instructions.

Associates of M&G are entitled to be counted in the Quorum at the Meeting (and any subsequent adjourned meeting), but may only vote in the same circumstances in which M&G may vote (as set out above).

APPENDIX 2

Notice of Extraordinary General Meeting of the M&G Global Basics Fund

M&G GLOBAL BASICS FUND (a sub-fund of M&G Investment Funds (1))

NOTICE IS HEREBY GIVEN that a Meeting of the Shareholders in M&G Global Basics Fund, (a sub-fund of M&G Investment Funds (1), a UK authorised umbrella open-ended investment company with variable capital) will be held at the offices of M&G Securities Limited at Laurence Pountney Hill, London EC4R 0HH at 11.30am BST/12.30pm CET on Friday 20 October 2017 to consider and vote on the following resolution which will be proposed as an Extraordinary Resolution:

Extraordinary Resolution

That this meeting of Shareholders of M&G Global Basics Fund (a sub-fund of M&G Investment Funds (1), a UK authorised umbrella open-ended investment company with variable capital), hereby approves with effect from Friday 17 November 2017 the amendment of the investment objective and investment policy as stated in the current Prospectus by deleting the current statement in its entirety and replacing it with:

"Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the MSCI All Country World Index over any five-year period.

Investment policy

The Fund will invest at least 80 % of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets.

The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes.

Derivatives may be used for efficient portfolio management."



Retail Chief Operating Officer
M&G Securities Limited
as Authorised Corporate Director of M&G Investment Funds (1)
M&G Securities Limited
Laurence Pountney Hill
London EC4R 0HH

19 September 2017

Notes:

- (1) To be passed, an Extraordinary Resolution must be carried with not less than 75 % of the total votes validly cast in favour at the Meeting.
- (2) A direct Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder, to attend and vote on their behalf. To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned no later than 11.30am BST/12.30pm CET on Wednesday 18 October 2017 to "The M&G Group, c/o Electoral Reform Services, London N1 1BR".
- (3) For Shares held jointly, where more than one holder votes, only the vote of the person appearing highest in the register of Shareholders can be accepted.
- (4) In the case of a body corporate, or other legal entity, Voting Forms must be validly executed in accordance with the entity's constitution.
- (5) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue on the date seven days before the Notice of Meeting is sent out.
- (6) A Shareholder entitled to more than one vote need not, if he/she votes, use all his/her votes or cast all his/her votes in the same way. If you wish to vote on the resolution other than with your entire holding, please state for each type of Shares you hold, a percentage (%) or number of Shares with which you are voting For or Against. You may attach an additional letter to disclose this information if required.
- (7) In the event of a Voting Form being signed and returned with no voting intention recorded, the proxy will reserve the right to abstain/cast the votes at his/her discretion.
- (8) The Quorum for the Meeting is two Shareholders present in person or by proxy. To ensure a Quorum is present at the Meeting, the Chairman can appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.
- (9) In the notes above the expression "Shareholder" means person(s) entered on the register of Shareholders on the date seven days (which the Authorised Corporate Director has determined to be a reasonable time in accordance with the FCA Rules) before the Notice concerning the Meeting was sent out but excluding persons who are no longer Shareholders at the time of the Meeting.
- (10) If you wish to attend the Meeting or attend and vote on the resolution put to the Meeting, please notify M&G Securities Limited in writing when you return your completed Voting Form(s).

M&G Global Basics Fund

Direct, ISA and Savings Plan Voting Form

IMPORTANT: For use by holders of The M&G Global Basics Fund ("the Fund"), where you hold your Shares directly, or through a Group plan: The M&G Savings Plan or The M&G ISA.

Please use this form to instruct us how you wish to vote at the Extraordinary General Meeting of Shareholders (the "Meeting") of the Fund. Please read the notes overleaf before completing this form.

I/We, being (a) Shareholder(s) in the Fund and/or the beneficial owner(s) of Shares in the Fund, hereby appoint the Chairman of the Meeting or (see note 2 overleaf) _____ as my/our proxy and/or direct M&G Nominees Limited as the registered holder of Shares in The M&G ISA and/or The M&G Savings Plan, to vote as instructed below at the meeting of Shareholders to be held at the offices of M&G Securities Limited, Laurence Pountney Hill, London EC4R 0HH on Friday 20 October 2017 at 11.30am and at any adjournments thereof.

Vote Please indicate with an X.

Extraordinary resolution of the M&G Global Basics Fund

That this meeting of Shareholders of the M&G Global Basics Fund (a sub-fund of M&G Investment Funds (1), a UK authorised umbrella open-ended investment company with variable capital), hereby approves with effect from Friday 17 November 2017 the amendment of the investment objective and policy as stated in the current Prospectus by deleting the current statement in its entirety and replacing it with:

For Against

☐☐

"Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the MSCI All Country World Index over any five-year period.

Investment policy

The Fund will invest at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets.

The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes.

Derivatives may be used for efficient portfolio management."

Signature Please sign below.

Please ensure you print your name in BLOCK CAPITALS and sign and date this document.

Signature

Name

Date

Signatory 2 (if applicable)

Signature

Name

Date

M&G
INVESTMENTS

Change of address

If your details shown below are incorrect, please enter your correct details in the area shown. Joint holders can notify us of their change of details by sending us written and signed instructions.

Your new details

Title Mr/Mrs/Miss/Ms/Other
Full forename
Surname
Address
Postcode
Signature

Notes

- (1) To be passed, an Extraordinary Resolution must be carried with not less than 75% of the total votes validly cast in favour at the Meeting.
- (2) A direct Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder, to attend and vote instead of themselves. To be valid, Voting Forms and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) should be returned to: M&G Group, c/o Electoral Reform Services, London N81 1ER no later than 11.30am on Wednesday 18 October 2017 (a reply-paid envelope has been provided for your use).
- (3) For Shares held jointly, where more than one holder votes, only the vote of the person appearing highest in the register of Shareholders can be accepted.
- (4) In the case of a body corporate, or other legal entity, Voting Forms must be validly executed in accordance with the entity's constitution.
- (5) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue on the date seven days before the Notice of Meeting is deemed to have been sent out.
- (6) A Shareholder entitled to more than one vote need not, if he or she votes, use all his or her votes or cast all his or her votes in the same way. If you wish to vote on the resolution other than with your entire holding, please state for each type of Share you hold, a percentage (%) or number of Shares with which you are voting For or Against. You may attach an additional letter to disclose this information if required.
- (7) In the event of a Voting Form being signed and returned by a direct Shareholder with no voting intention recorded, the proxy will reserve the right to abstain/cast the votes at his/her discretion.
- (8) The Quorum for the Meeting is two Shareholders present in person or by proxy. To ensure a Quorum is present at the Meeting, the Chairman can appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.
- (9) In the notes above the expression "Shareholder" means persons who were Shareholders in the Fund on the date seven days (which the Authorised Corporate Director has determined to be a reasonable time in accordance with the FCA Rules) before the Notice concerning the Meeting was sent out but excluding persons who are no longer Shareholders at the time of the Meeting.
- (10) If you wish to attend the Meeting or attend and vote on the resolution put to the Meeting, please notify M&G in writing when you return your completed Voting Form(s).