

Mitteilung an alle Anteilseigner der M+G Fonds:

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

LU1582988132	M+G (Lux) Investment 1 Dynamic Allocation - A Dis
LU1582988488	M+G (Lux) Investment 1 Dynamic Allocation - C Cap

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.



Important Information

M&G (Lux) Investment Funds 1

This document is important and requires your attention

We are writing to inform you of changes we are making to a number of sub-funds of M&G (Lux) Investment Funds 1 (the "Funds") which you are invested in.

All changes are reflected in an updated version of the Prospectus available on our website **www.mandg.com** or by contacting our Customer Services team using the contact details below. You should also refer to the Prospectus for a detailed description of the risks associated with the Fund(s) you are invested in.

You do not need to take any action, but we recommend that you read it carefully.

Other changes may have been made to the Prospectus that are not mentioned in this letter.

Please note that the investment objectives, investment policies and investment approaches included in this document are translations of the original English wording included in the latest, legally valid version of the English Prospectus, as approved by the Commission de Surveillance du Secteur Financier (CSSF). The original English wording should under all circumstances take precedence over any translation.

Please note that some of the Funds disclosed in this letter may not be registered and/or authorised for distribution in your country. The purpose of this letter is to inform shareholders who have already invested in one or more of the Funds disclosed in this document. This letter should therefore not be considered or read as any form of marketing.

Making changes to your investment

If the changes detailed in this letter do not suit your investment need, you may sell your investment in any of the Funds affected by the changes, or switch it to another M&G fund, free of charge, at any point before the changes take place subject to our terms and conditions and in accordance with the terms of the Prospectus.

For more information

If you are in any doubt as to the action to be taken or require further information, please do not hesitate to contact our **Customer Services** team by email at **csmandg@rbc.com** or by telephone **+352 2605 9944**. We are open from 09:00 to 18:00 CET Monday to Friday. For security and to improve the quality of our service we may record and monitor telephone calls.

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser.

3. POLICY CHANGES TO:

- M&G (Lux) Absolute Return Bond Fund
- M&G (Lux) Conservative Allocation Fund
- M&G (Lux) Dynamic Allocation Fund
- M&G (Lux) Emerging Markets Bond Fund
- M&G (Lux) Emerging Markets Hard Currency Bond Fund
- M&G (Lux) Emerging Markets Income Opportunities Fund
- M&G (Lux) Episode Macro Fund
- M&G (Lux) Global Macro Bond Fund
- M&G (Lux) Global Target Return Fund
- M&G (Lux) Income Allocation Fund
- M&G (Lux) Optimal Income Fund
- M&G (Lux) Sustainable Allocation Fund

Please note that there will be no change to any of the Funds' investment objectives nor to their overall investment approaches.

The changes will be effective from Monday 22 July 2019.

What are the changes and why are they happening?

Each Fund's investment policy will be updated to incorporate the fact that the Fund may invest in Chinese onshore debt securities denominated in CNY (the Chinese onshore Renminbi accessible within China) and traded on the China Interbank Bond Market (the "CIBM").

Over the last three years, the People's Bank of China has progressively opened the CIBM to foreign institutional investors, including investment funds. The launch of Bond Connect in July 2017 made it possible for investment funds to buy bonds and debt instruments trading on the CIBM directly through the Hong Kong exchange.

We are therefore amending the Funds' investment policies to allow their fund managers to take advantage of these additional investment opportunities in China.

What are the risk considerations associated with the changes?

Although the changes will not result in a significant change to the Funds' overall risk profiles, we recommend that you read the important information included below regarding the risk specifically associated with investing in the CIBM as well as the "China Risk" section of the Prospectus.

The CIBM is an Over-The-Counter (OTC) market, where the majority of CNY bond trading takes place. The CIBM is at a stage of development and internationalisation. Bond Connect is a bond trading link between China and Hong Kong which allows eligible foreign investors to invest in onshore Chinese bonds traded on the CIBM.

Market volatility and potential lack of liquidity due to low trading volumes may cause prices of Chinese onshore bonds to fluctuate significantly, and Funds investing in the CIBM may suffer losses. The Funds may also be exposed to risks associated with settlement procedures and default of counterparties.

Investing in the CIBM via Bond Connect is also subject to regulatory risks. The rules and regulations on these regimes are subject to change which may have a potential retrospective effect. A suspension of the account opening or trading in the CIBM by the relevant PRC authorities would adversely affect the Funds' ability to trade in the CIBM and to achieve their respective investment objectives.