

M&G (Lux) Pan European Sustain Paris Aligned Fund

EUR Class A – Accumulation shares



Monthly Fund Review as at 30 June 2025

Marketing Communication - for Professional Investors only

Highlights

- In June, stock selection in the consumer staples and communication services sectors proved detrimental to the fund's relative performance. The fund's lack of exposure to energy also had a negative impact on relative returns. In contrast, stockpicking in the consumer discretionary and financials sectors boosted relative performance, as did the fund's overweight to industrials.
- Key detractors from relative performance included consumer goods company Unilever and jewellery manufacturer Pandora. The top contributors to relative performance were Danish pharmaceutical company ALK-Abelló and electrical and digital building infrastructure specialist Legrand.

The main risks associated with this fund

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.

Investing in this fund means acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned by the fund.

Further risk factors that apply to the fund can be found in the fund's Prospectus.

Key information

Fund manager(s)	John William Olsen
Fund manager tenure from	30 June 2014
Deputy fund manager(s)	Lucy Hancock, Randeep Somel
ISIN	LU1670716437
Launch date of fund	09 November 2018
Launch of share class	09 November 2018
Fund size (millions)	€ 330,81
Fund type	SICAV
Benchmark	MSCI Europe Net Return Index
Sector	Morningstar Europe Large-Cap Blend Equity sector
Number of companies	36
Portfolio turnover over 12 months	27,90%
SFDR Article Classification	9
Recommended Holding Period	5 years

Manager tenure includes the period when managing an equivalent UK-authorized OEIC. Please see 'Important information' at the end of this document for further details.

Charges

Maximum entry charge	5,00%
Management fees and other costs	1,73%
Transaction costs	0,11%

Risk characteristics

As at 30/06/2025	Fund
Alpha (%)	2,91
Information ratio	0,58
Sharpe Ratio	0,95
Historic tracking error (%)	5,19
Beta	0,98
Standard deviation (%)	13,54
Forecast tracking error (active risk, %)	4,10
Active share (%)	82,11

Fund ratings as at 30 June 2025

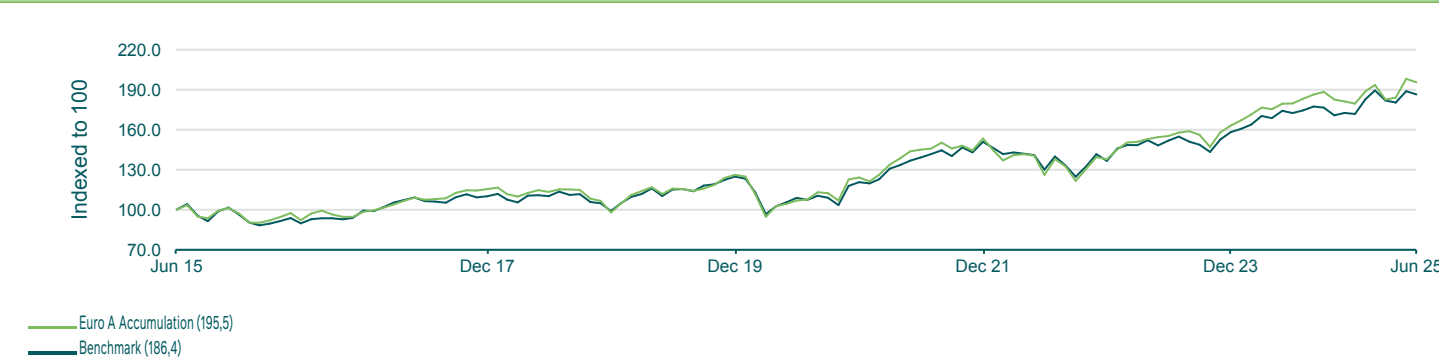
Morningstar Medalist Rating™	Analyst-Driven %	
Bronze	100	
	Data Coverage %	
	100	★★★★★
Overall Morningstar rating		
Source of Morningstar ratings: Morningstar		
Ratings should not be taken as a recommendation.		

Past performance is not a guide to future performance.

Single year performance (10 years)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
■ Euro A Accumulation	10,1%	18,4%	-10,2%	23,7%	-1,7%	28,9%	-15,2%	17,4%	1,3%	13,6%
■ Benchmark	8,6%	15,8%	-9,5%	25,1%	-3,3%	26,0%	-10,0%	10,9%	3,2%	8,8%
■ Sector	6,9%	14,2%	-13,2%	22,9%	-1,2%	24,6%	-12,8%	10,2%	-0,3%	10,8%

Performance over 10 years



Fund performance (10 years)

	1 month	3 months	YTD to QTR end	YTD	1 year	3 years p.a.	5 years p.a.	10 years p.a.
■ Euro A Accumulation	-1,3%	7,1%	8,9%	8,9%	8,9%	15,8%	12,9%	6,9%
■ Benchmark	-1,3%	2,5%	8,5%	8,5%	8,1%	12,8%	11,4%	6,4%
■ Sector	-1,3%	2,8%	7,1%	7,1%	5,7%	10,6%	9,2%	4,7%

The benchmark is a comparator against which the fund's performance can be measured. It is a net return index which includes dividends after the deduction of withholding taxes. The index has been chosen as the fund's benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

The fund is actively managed. The investment 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.

Fund performance prior to 9 November 2018 is that of the EUR Class A Accumulation of the M&G Pan European Select Fund (a UK-authorized OEIC), which merged into this fund on 9 November 2018. Tax rates and charges may differ.

Benchmark from 1 January 2012 is the MSCI Europe Index. Benchmark is Gross Return prior to 9 November 2018 and Net Return after this date.

Source: Morningstar, Inc and M&G, as at 30 June 2025. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in EUR terms.

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Country breakdown (%)

	Fund	Index	Relative weight
UK	23,9	22,1	1,9
Germany	20,4	15,7	4,7
Denmark	16,3	3,5	12,8
Netherlands	11,4	6,9	4,5
France	9,0	16,6	-7,6
Ireland	4,8	0,7	4,1
Switzerland	3,7	14,4	-10,7
Spain	3,1	5,0	-1,9
Other	4,5	15,2	-10,7
Cash	2,9	0,0	2,9

Breakdown in table is based on country of listing.

Industry breakdown (%)

	Fund	Index	Relative weight
Industrials	25,9	19,2	6,8
Financials	16,7	22,7	-6,0
Health care	11,7	13,5	-1,8
Communication services	10,9	4,4	6,5
Consumer discretionary	10,1	8,1	2,0
Consumer staples	9,5	9,8	-0,3
Information technology	6,7	7,5	-0,7
Materials	4,1	5,5	-1,4
Utilities	1,5	4,4	-2,9
Energy	0,0	4,2	-4,2
Real Estate	0,0	0,8	-0,8
Cash	2,9	0,0	2,9

Largest holdings (%)

	Fund	Index	Relative weight
AIB Group	4,8	0,1	4,6
Schneider Electric	4,4	1,2	3,2
Scout24	4,4	0,1	4,3
CTS Eventim	4,3	0,1	4,3
ING Group	4,0	0,6	3,5
SAP	3,8	2,5	1,3
RELX	3,6	0,8	2,8
DSV	3,4	0,4	3,0
ALK Abello	3,3	0,0	3,3
Unilever	3,3	1,2	2,1

Largest overweights (%)

	Fund	Index	Relative weight
AIB Group	4,8	0,1	4,6
Scout24	4,4	0,1	4,3
CTS Eventim	4,3	0,1	4,3
ING Group	4,0	0,6	3,5
ALK Abello	3,3	0,0	3,3
Schneider Electric	4,4	1,2	3,2
Bank of Georgia Group	3,2	0,0	3,2
DSV	3,4	0,4	3,0
Amadeus IT Group	3,1	0,3	2,8
RELX	3,6	0,8	2,8

Largest underweights (%)

	Fund	Index	Relative weight
Roche	0,0	1,9	-1,9
Novartis	0,0	1,8	-1,8
Astrazeneca	0,0	1,7	-1,7
HSBC	0,0	1,7	-1,7
Royal Dutch Shell	0,0	1,7	-1,7
Allianz	0,0	1,3	-1,3
LVMH	0,0	1,2	-1,2
Deutsche Telekom	0,0	1,0	-1,0
Banco Santander	0,0	1,0	-1,0
TotalEnergies	0,0	1,0	-1,0

Currency breakdown (%)

	Fund	Index	Relative weight
Euro	54,1	53,3	0,8
British pound	24,0	22,1	2,0
Danish krone	16,3	3,5	12,9
Swiss franc	3,7	14,4	-10,7
US dollar	1,8	1,3	0,6
Swedish krona	0,0	4,5	-4,5
South African rand	0,0	0,0	0,0
Norwegian krone	0,0	1,0	-1,0

Capitalisation breakdown (%)

	Fund	Index	Relative weight
> €50 billion	36,7	57,2	-20,5
€25 - €50 billion	15,5	22,1	-6,6
€5 - €25 billion	32,6	20,6	12,0
€2.5 - €5 billion	7,6	0,2	7,4
< €2.5 billion	4,8	0,0	4,8
Cash	2,9	0,0	2,9

Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Management fees and other costs	Historic yield	Minimum initial investment	Minimum top up investment
Euro A Acc	LU1670716437	MGPESEA LX	EUR	09/11/2018	1,73%	-	€1.000	€75
Euro B Acc	LU1670716510	MGPESEB LX	EUR	09/11/2018	2,23%	-	€1.000	€75
Euro C Acc	LU1670717674	MGPESEC LX	EUR	09/11/2018	0,96%	-	€500.000	€50.000
Euro C Inc	LU2764859976	MGPSECD LX	EUR	20/03/2024	0,95%	2,37%	€500.000	€50.000
Euro CI Acc	LU1797818322	MPSECIA LX	EUR	19/11/2018	0,93%	-	€500.000	€50.000

Management fees and other administrative or operating costs figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, as well as portfolio transaction costs. They are based on expenses for the period ending 31 March 2025. Any ongoing costs figure with * indicates an estimate. Not all costs are presented. The fund's annual report for each financial year will include details of the exact charges. Please note that not all of the share classes listed above might be available in your country. Please see the 'Important information' at the end of this document, the fund's Prospectus and the KID for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

Approach to responsible investment

	Yes	No	N/A
ESG integration	✓		
Additional ESG specifications	✓		
Exclusions	✓		
Cluster munitions & anti personnel landmines	✓		
Other exclusions or restrictions	✓		
Voting	✓		
Engagement	✓		

Please see glossary for further explanation of these terms.

SFDR Article Classification: Article 9 fund. The decision to invest in this fund should be based on all objectives and characteristics and not solely its non-financial objectives and characteristics.

Climate metrics

	Weighted Average Carbon Intensity (tCO ₂ e / US\$m sales)	Coverage by portfolio weight (%)
Euro A Accumulation	33,33	100,00%
Benchmark	78,13	99,79%

Source: We use a variety of data sources to gather and map the carbon emissions of our funds. This allows for data gaps from some data providers on some issuers. We currently use MSCI as our main third-party data provider for carbon intensity data as we consider its coverage to be the broadest of the current providers.

ESG Standard Glossary

Additional ESG specifications: In the context of M&G, these are funds that are managed in accordance with specific ESG criteria or, where relevant, with an explicit ESG objective. They will have a number of minimum exclusions in place.

Engagement: Interaction with company management on various financial and non-financial, including ESG, issues. Engagement allows investors to better understand how a company is undertaking its operations and how it is interacting with its stakeholders, as well as advising on and influencing company behaviour and disclosures where appropriate.

ESG integration: Describes the explicit and systematic inclusion of Environmental, Social and Governance factors in investment analysis and investment decisions. It underpins a responsible investment approach, and allows investors to better manage risk and generate sustainable, long-term returns.

Exclusions: The exclusion or restriction of investments based on the sector in which they operate, the products or services they provide or for other specific criteria, i.e. they are deemed to be in breach of the United Nations Global Compact principles on human rights, labour the environment and anti-corruption.

Voting: As the partial owners of a company, shareholders have the right to vote on resolutions put forward at a company's annual general meeting. These resolutions include the re-election of directors, executive remuneration and business strategy, among others, and may include resolutions put forward by shareholders.

Explanation of our climate metrics

The Weighted Average Carbon Intensity (WACI) is the metric used to report our funds' carbon emissions. It is a measure of how much CO₂ is being emitted per US\$ million of sales by each company that the fund invests in. This can be used to determine the likely effect a company is having on the environment. It can also help to compare the impact different companies have on the environment, and to compare companies against the broad market or the financial benchmark for the fund. However, this metric does not take into account the difference in carbon characteristics among sectors.

The WACI metric is one of many greenhouse gas emissions data points, each offering a different aspect of analysis on climate impact. M&G have selected this metric as it is applicable to multi-asset, equity and fixed income funds and it is aligned to the recommendations from the Taskforce for Climate Related Financial Disclosures (TCFD). It has also been chosen to align with M&G's groupwide target of transparency when it comes to the disclosure of climate emissions.

For the avoidance of doubt, this fund is not managed to a carbon emission objective and, the benchmark WACI (should funds have a benchmark) has been included for information purposes only.

ESG Accreditations



The SRI label was created by the French Ministry of the Economy and Finance and aims to allow investors to identify investment funds implementing a robust socially responsible investment (SRI) methodology, leading to measurable and concrete results. It is awarded at the end of a strict process conducted by an independent body. More information about the label can be found at www.lelabelisr.fr/label-isr/

Fund description

The fund aims to provide combined income and capital growth that is higher than that of the European stockmarket (as measured by the MSCI Europe Net Return Index) over any five-year period and to invest in companies that contribute towards the Paris Agreement climate change goal of keeping a global temperature rise this century well below two degrees Celsius above pre-industrial levels. At least 80% of the fund is invested in the shares of sustainable companies, across any sector and of any size, that are based, or do most of their business, in Europe. The fund usually holds shares in fewer than 35 companies.. The investment manager invests in the shares of companies with sustainable business models, where short-term issues have created attractive buying opportunities. The fund invests in securities that meet the ESG criteria, applying an exclusionary approach and positive ESG outcome, in addition to its sustainable investment strategy in pursuit of the sustainable investment objective, as described in the prospectus. The fund's recommended holding period is five years.

Glossary

Please find a link to our [glossary page](#) which provides an explanation of terms used in this document across our fund ranges.

Important information

On 9 November 2018, the non-sterling assets of the M&G Pan European Select Fund, a UK-authorized OEIC, merged into the M&G (Lux) Pan European Select Fund, a Luxembourg-authorized SICAV, which launched on 9 November 2018. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorized OEIC.

On 1 January 2012 and 9 November 2018, the fund's performance comparator changed.

Past performance of the fund and index includes recoverable withholding tax which may not be applicable to the SICAV.

The fund changed its name, investment objective and investment strategy on 30 July 2021. Prior to this date, the fund was named M&G (Lux) Pan European Select Fund. Fund performance before this date was therefore achieved under different circumstances.

The M&G (Lux) Pan European Sustain Paris Aligned Fund is a sub-fund of M&G (Lux) Investment Funds 1.

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The Morningstar Overall Rating based on the fund's Euro Class A shares. Copyright © 2025 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

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Before subscribing investors should read the Key Information Document and the Prospectus, which includes a description of the investment risks relating to these funds. The information contained herein is not a substitute for independent investment advice. M&G Luxembourg S.A. may terminate arrangements for marketing under the new Cross-Border Distribution Directive denotification process.

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