

M&G Charity Multi Asset Fund

**Interim report and unaudited financial statements
for the six months ended 1 May 2025**

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Manager's Report

The Manager of M&G Charity Multi Asset Fund presents its interim report and unaudited financial statements for the six months ended 1 May 2025.

The unaudited financial statements of M&G Charity Multi Asset Fund, the Managers Reports including the portfolio statement, financial highlights and the unaudited financial statements and notes of the fund are presented in their individual sections of this report as set out in the contents page.

Please note that an explanation of key investment terminology is available on our website at mandg.com/investments/charities/en-gb/help-and-support/glossary

A printed copy of the glossary is available upon request by calling customer services and administration as shown within the 'Investor information' section of this report.

Fund information

The fund is an authorised unit trust, regulated as a Charity Authorised Investment Fund and a non-UCITS retail scheme as defined in the FCA Regulations under number 844280. The fund is also a Common Investment Fund under the Charities Act 2011 and a charity registered with the Charity Commission for England and Wales under number 1184314.

The fund was launched on 15 November 2019, following the conversion of The National Association of Almshouses Common Investment Fund.

The fund qualifies as an alternative investment fund under the Alternative Investment Fund Managers Directive.

M&G Securities Limited (the Manager) is authorised by the FCA as an Alternative Investment Fund Manager while M&G Investment Management Limited is the investment adviser.

A unitholder is not liable for the debts of the fund and will not be liable to make any further payment to the fund after paying the purchase price of the units.

Charities registered in England, Scotland, Wales and Northern Ireland can invest in the fund.

Fund manager

Tristan Hanson is employed by M&G FA Limited which is an associate of M&G Securities Limited.

Manager

M&G Securities Limited
10 Fenchurch Avenue, London EC3M 5AG, UK
Telephone: 0800 390 390 (UK only)
(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of The Investing and Saving Alliance)

Directors of the Manager

M Arona*, N J Brooks, C Dobson (non executive director), S C Ellis** (non executive director), S A Fitzgerald***, P R Jelfs, M McGrade (non executive director), L J Mumford

* Appointed 13 January 2025.

** Appointed 12 March 2025.

*** Resigned 13 January 2025.

Advisory committee

The members of the committee, which acts as a consultative committee to M&G Securities Limited, are: D S S Chichester (Chairman), B S Bostrom, A F Gibbs, N C Talbot-Rice, P F Blake-Roberts, H V B Vinnecombe

Investment adviser

M&G Investment Management Limited
10 Fenchurch Avenue, London EC3M 5AG, UK
(Authorised and regulated by the Financial Conduct Authority)

Registrar

SS&C Financial Services Europe Ltd
SS&C House, St. Nicholas Lane, Basildon
Essex SS15 5FS, UK
(Authorised and regulated by the Financial Conduct Authority)
SS&C Financial Services Europe Ltd act as the administrators for M&G Charity Multi Asset Fund.

Manager's Report

Trustee

NatWest Trustee & Depositary Services Limited is the Trustee of the fund and for the purposes of the Alternative Investment Fund Managers Directive (AIFMD) it is also the Depositary.

NatWest Trustee & Depositary Services Limited
House A, Floor 0, Gogarburn, 175 Glasgow Road
Edinburgh EH12 1HQ, UK
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Independent auditor

Ernst & Young LLP
Atria One, 144 Morrison Street
Edinburgh EH3 8EX, UK

Annual value assessment

An annual assessment report is available which shows the value provided to investors in each of M&G's UK-based funds. The assessment report evaluates whether M&G's charges are justified in the context of the overall service delivered to its investors. The latest report to 31 March 2024 can be found on our website at mandg.com/investments/valueassessment

Climate-related Financial Disclosures (TCFD)

We have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD fund reports are designed to help you understand the impact this fund has on the climate and equally how climate change could influence the performance of the fund. The reports will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy and risk management that M&G has in place to manage the risks and opportunities related to climate change, please refer to the M&G Investments Management TCFD report.

These reports are available via the Sustainability Disclosures page on our website at mandg.com/footer/sustainability-disclosures

Important information

The events in Ukraine continue to bring uncertainty. The Manager continues to monitor the associated risks that are posed to the Company.

Since January 2025 the operating charge does not include the underlying charges for closed-ended funds, such as investment trusts and real estate investment trusts. There is no change to what you are currently being charged, this is a presentational change to align with the latest industry guidance issued by the Investment Association.

Please refer to the 'Investment review' section for further details on significant events during the period. Investment reviews may become quickly outdated in relation to ongoing economic and geopolitical events.

Investor information

The Prospectus and Trust Deed as well as the latest annual or interim investment report and financial statements are available free of charge on request from the following address. The Trust Deed can also be inspected at our offices or at the office of the Trustee.

Manager's Report

Customer services and administration

M&G Charity Team
PO Box 9038
Chelmsford CM99 2XF, UK
Telephone: 0800 917 4472

If you need more information about investing, please contact us direct. Alternatively, if you wish to obtain advice as to whether this investment is suitable for your needs, you should consult a financial adviser.

If you would like a list of financial advisers in your area, please visit unbiased.co.uk

We can answer your questions and take your instructions between 9.00am and 5.00pm Monday to Friday. For security purposes, and to improve the quality of our service, we may record and randomly monitor telephone calls.

If you already invest with us, please quote your M&G holding reference number (shown on your income vouchers or statements) when you contact the M&G Charity Team. Please note that M&G Securities Limited does not offer investment advice or make any recommendations regarding investments.

Manager's Report

Directors' statement

This report is signed in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the FCA.

M&G Securities Limited
25 June 2025

Financial statements and notes

The financial statements for M&G Charity Multi Asset Fund comprise the financial statements for the fund and the notes below.

Notes to the financial statements

Accounting policies

There are no material events that have been identified that may cast significant doubt on the fund's ability to continue as a going concern for a period of twelve months from the date these financial statements are authorised for issue. The Manager believes that the fund has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. The Manager has made an assessment of the fund's ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, declines in global capital markets, investor intention, known redemption levels, expense projections and key service provider's operational resilience.

The interim financial statements have been prepared on the same basis as the audited annual financial statements for the year ended 1 November 2024. They are prepared in accordance with both Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014 (2014 SORP) and amended in June 2017.

Manager's Report

For the purposes of these financial statements, the Prospectus dated 28 May 2024 has been used.

Charitable objective

The fund's charitable objective will be to further the charitable purposes of the Charities that directly or indirectly hold units in the fund from time to time.

Investment objective

The fund has two aims:

- To provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of a composite index* over any five-year period.
- To provide an annual yield of at least 3%.

There is no guarantee that the fund will achieve its investment objective over this, or any other, period. The income distributions and the value of investments may rise and fall and investors may not recoup the amount they originally invested.

* Comprising 45% of the FTSE All-Share Index, 30% of the MSCI ACWI (ex UK) Index, 12.5% of the ICE BoAML 1-15 Gilt Index and 12.5% of the ICE BoAML 1-15 Non-Gilt Index.

Investment policy

The fund invests in collective investment schemes, typically funds managed by M&G, to gain exposure to a diversified range of asset classes including equities, fixed income securities, property, cash and near cash. These assets may be from anywhere in the world, including emerging markets.

The fund's exposure to these assets will normally be within the following ranges: 60-90% in equities, 0-40% in fixed income securities and cash, and 0-15% in other assets. The fund may also hold and invest in cash and near cash directly.

Derivatives may be used for efficient portfolio management and hedging. The fund invests in funds that may use derivatives for investment purposes.

Investment approach

The fund invests indirectly across a range of assets through investments in other funds, typically managed by M&G. The fund manager has a flexible approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the short to medium term with analysis of market reactions to events to identify investment opportunities. In particular, the fund manager seeks to respond when asset prices move away from a reasonable sense of 'fair' value due to market reactions to events. The fund tends to have a bias towards underlying funds with an income focus to achieve its investment objective.

Benchmark

45% FTSE All-Share Index, 30% MSCI ACWI (ex UK) Index, 12.5% ICE BoAML 1-15 Gilt Index and 12.5% ICE BoAML 1-15 Non-Gilt Index

The fund is actively managed. The benchmark is a target which the fund seeks to outperform. The composite index has been chosen as it best reflects the scope of the fund's investment policy and is used solely to measure the fund's performance. The target yield referenced in the investment objective has been chosen as it is an achievable target given the fund's investment policy. The target benchmark and target yield do not constrain the fund's portfolio construction.

Manager’s Report

Risk profile

For details of the risks associated with this fund, please refer to the Prospectus.

The following table shows the risk number associated with the fund and is based on Accumulation units.



The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

Investment review

For the six months ended 1 May 2025

Distribution summary

During the period under review, a final distribution for 2024 of 1.35p per income unit was paid in December and a payment of 0.9p per income unit was made in February 2025. A further interim distribution of 0.9p for the second quarter and was paid on 2 June 2025.

As at the 1 May 2025, the trailing yield of the fund (using distribution over the last twelve months and the price per unit at the end of the period) was 4.35%.

For the fund’s distribution, please refer to ‘Income and prices’ table in the ‘Appendix’ section of this report.

Investment review

The fund delivered a modest positive return in the six months under review, though was behind its benchmark. The main positive contributions came from exposures to UK equity markets via M&G Equities Investment Fund for Charities (Charifund) and the M&G Dividend fund. The main detractors were equity

exposures to Asia and global funds such as the M&G Positive Impact fund and the M&G Global Sustain Paris Aligned fund. The contribution from fixed income positions was flat overall.

It was an eventful period with the US election and its aftermath, as well as technological and geopolitical developments creating a meaningful sense of uncertainty. In particular, on 2 April, the date President Trump labelled ‘liberation day’, the announcement of more severe than expected trade tariffs saw the US stockmarket and others around the world fall sharply, before recovering much of their losses.

In spite of the news flow however, most European and many emerging equity markets delivered strong gains, and the US was only modestly lower. Proposals to ramp up European defence were seen as supportive for equities (while initially resulting in higher yields on German government bonds), with the German DAX index among the best performers. China benefited from continued stimulus measures and the success of its artificial intelligence (AI) newcomer DeepSeek. Mexico was another notable winner, while Brazil also ended the period with a positive return. However, there were some pockets of independent weakness in parts of Asia such as Taiwan, Thailand and Indonesia.

Developed market 10-year government bond yields ended the period broadly unchanged but there was some notable volatility along the way. Bond yields have moved in response to changing expectations for policy and growing concerns about levels of sovereign debt. The latter resulted in more pronounced moves higher in longer dated yields in many markets.

Sterling finished the period stronger versus the US dollar having initially weakened in the aftermath of the US election, before the impact of tariff announcements prompted broad based US dollar weakness.

Investment activities

The key change over the period was an increase in exposure to long dated UK gilts as yields rose. Additions took place in three stages: early November where UK-specific concerns around the UK budget were the main driver, and again in January and April 2025 in response to more generic global bond weakness.

Manager's Report

The initial tranche of additional gilt exposure was financed by reducing cash held in the portfolio, while the second two additions came out of reduced exposure to UK shorter dated gilts and credit via M&G Charibond Charities Fixed Interest Fund (Charibond). It is worth noting that the decision to reduce and ultimately close exposure to M&G Charibond was driven by the manager's view of the increased relative attractiveness of UK long dated gilts in response to spikes in yields, and came before the announcement that M&G Charibond would be closed at the end of March. The fund began November with 10% exposure to UK long dated gilts and ended the period with 17%.

The other notable change to the portfolio was an allocation of equity exposure to Asian markets following weakness in China in particular in December. Exposure to the M&G Asian fund was increased from 3% to 5%, with exposure to the M&G Global Sustain Paris Aligned fund being reduced from 5% to 3%.

The fund remains relatively neutrally positioned in aggregate equity, with a preference for markets outside of the US. The main change over the six months has been an increase in the portfolio's exposure to bonds by adding exposure to longer dated gilts.

Outlook

Despite suggestions that the global economic and geopolitical orders face a greater range of challenges than many considered likely at the start of the period, few assets offer more compensation for risk than they did six months ago.

While equity markets outside of the US still look reasonably attractive to us, it is perhaps surprising that most offer less objectively attractive valuations than they did at the start of November. In the case of the US market itself, while investor sentiment is not as outright optimistic as it was at the start of 2025, any weakness seen in response to the 'liberation day' announcements has now more than unwound.

Given these considerations, the fund remains neutral of equity overall, with a preference for the markets outside of the US. Similarly, the view on the UK market is relatively neutral, though positioning is modestly underweight so as to take advantage of opportunities in

markets such as Asia and Latin America which have opened up over the course of the last eighteen months.

Concerns about government debt at home and abroad should not be dismissed but have resulted in yields that are attractive in the manager's view. Ultimately it is the path of interest rates and inflation that will shape the returns delivered by these bonds, and any shocks to growth could cause them to rally sharply. With equity markets offering less compensation for this risk today, this potential diversification is an attractive property to add to a multi asset portfolio.

Tristan Hanson

Fund manager

An employee of M&G FA Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice as to how M&G Charity Multi Asset Fund or any holding mentioned is likely to perform. If a charity wishes to obtain financial advice as to whether an investment is suitable for its needs, it should consult a financial adviser.

Portfolio statement

Investments

Holding	as at 01.11.25 £'000	as at 01.11.25 %	as at 01.11.24 %
Equities	165,684	74.73	75.43
Equity portfolios	165,684	74.73	75.43
545,469 iShares MSCI EM Latin America UCITS ETF	6,237	2.81	
1,099,537 iShares PLC - iShares Core FTSE 100 UCITS ETF	9,177	4.14	
550,115 M&G Asian Fund ^a	10,702	4.83	
2,447,473 M&G Dividend Fund ^a	27,253	12.29	
3,453,221 M&G Equities Investment Fund for Charities (Charifund) ^a	51,370	23.17	
10,363,829 M&G Global Dividend Fund ^a	34,326	15.48	
8,173,483 M&G Global Listed Infrastructure Fund ^a	10,416	4.70	
181,383 M&G Global Sustain Paris Aligned Fund ^a	6,012	2.71	
109,646 M&G Japan Fund ^a	3,381	1.53	
85,856 M&G Japan Smaller Companies Fund ^a	3,145	1.42	
2,584,145 M&G Positive Impact Fund ^a	3,665	1.65	
Fixed income	49,227	22.21	22.71
Fixed income portfolios	49,227	22.21	22.71
2,789,103 iShares USD Treasury Bond 20+yr UCITS ETF	8,562	3.86	
3,968,753 M&G Emerging Markets Bond Fund ^a	4,074	1.84	
1,011,633 SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF	36,591	16.51	
Total portfolio	214,911	96.94	98.14
Net other assets/(liabilities)	6,787	3.06	1.86
Net assets attributable to unitholders	221,698	100.00	100.00

All securities are on an official stock exchange listing except where referenced.

^a Related party.

Portfolio statement

Top portfolio transactions for the six months to 1 May 2025

Purchases	£'000
SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF	11,362
M&G Asian Fund ^a	4,445
iShares PLC - iShares Core FTSE 100 UCITS ETF	2,161
M&G Equities Investment Fund for Charities (Charifund) ^a	830
iShares USD Treasury Bond 20+yr UCITS ETF	739
Total purchases	19,537

Sales	£'000
M&G Charibond Charities Fixed Interest Fund (Charibond) ^a	10,713
M&G Global Sustain Paris Aligned Fund ^a	4,756
M&G Global Dividend Fund ^a	1,262
Total sales	16,731

^a Related party.

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

Financial highlights

Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and a charity may not get back the original amount it invested.

As different unit classes have different attributes, for example charging structures and minimum investments, please be aware that their performance may be different.

For additional information, including monthly fund commentaries, fund facts, historic prices, distribution rates, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by unit class

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. Please refer to 'Comparative tables' for the unit class launch dates.

Unit Class	Six months % ^a	Three years %	Five years %	Ten years %
Income units	+1.9	+4.9	+9.4	n/a
Accumulation units	+1.9	+4.9	+9.4	n/a
Benchmark	+2.8	+6.4	+9.1	n/a

^a Not annualised.

Comparative tables

'Operating charges' is calculated as a percentage of average net asset value and represents an annual rate. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current period figures.

Financial highlights

Sterling Income unit

The unit class was launched on 15 November 2019.

	1.05.25	1.11.24	1.11.23
Closing NAV (£'000)	50,613	47,660	43,459
Number of units	54,968,244	51,746,009	52,812,712
Closing NAV per unit (UK p)	92.08	92.10	82.29
Operating charges (%)	0.50	0.50	0.50

Sterling Accumulation unit

The unit class was launched on 15 November 2019.

	1.05.25	1.11.24	1.11.23
Closing NAV (£'000)	171,085	168,693	141,503
Number of units	1,397,449	1,404,247	1,377,740
Closing NAV per unit (UK p)	12,242.66	12,013.05	10,270.66
Operating charges (%)	0.50	0.50	0.50

Financial statements and notes

Financial statements

Statement of total return

for the six months to 1 May	2025		2024	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		283		18,152
Revenue	4,495		4,143	
Expenses	(548)		(497)	
Interest payable and similar charges	(1)		(1)	
Net revenue/(expense) before taxation	3,946		3,645	
Taxation	0		0	
Net revenue/(expense) after taxation		3,946		3,645
Total return before distributions		4,229		21,797
Distributions		(3,993)		(3,751)
Change in net assets attributable to unitholders from investment activities		236		18,046

Statement of change in net assets attributable to unitholders

for the six months to 1 May	2025		2024	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		216,353		184,962
Amounts received on issue of units	4,952		8,491	
Amounts paid on cancellation of units	(2,897)		(3,048)	
		2,055		5,443
Dilution adjustments		0		1
Change in net assets attributable to unitholders from investment activities (see above)		236		18,046
Retained distributions on Accumulation units		3,054		2,800
Closing net assets attributable to unitholders		221,698		211,252

The opening net assets attributable to unitholders for 2025 differs to the closing position in 2024 by the change in net assets attributable to unitholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	1 May 2025 £'000	1 November 2024 £'000
Assets		
Fixed assets		
Investments	214,911	212,324
Current assets		
Debtors	2,415	3,291
Cash and bank balances	287	645
Cash equivalents	4,634	6,818
Total assets	222,247	223,078
Liabilities		
Creditors		
Distribution payable	(495)	(699)
Other creditors	(54)	(6,026)
Total liabilities	(549)	(6,725)
Net assets attributable to unitholders	221,698	216,353

Financial statements and notes

Notes to the financial statements

Accounting policies

The financial statements have been prepared in accordance with the 'Accounting policies' set out on page 5.

Distribution policy

In order to conduct a controlled flow to unitholders, distributions will be at the fund manager's discretion, up to the maximum of the distributable income available at the end of the year. The fund is permitted to transfer up to 15% of the current year's income available for distribution to the income reserve account.

The equalisation element of distributions from collective investment schemes will be included as distributable revenue.

In determining the amount available for distribution to Income units, the annual charge is offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

Other regulatory disclosures

Liquidity

The Manager's policy is that the fund should normally be close to fully invested (ie with liquidity of 5% or less) but this is subject to the need to retain liquidity for the purpose of effecting the redemption of units and the efficient management of the Scheme in accordance with its objective. There may, therefore, be occasions when there will be higher levels of liquidity, for example following the issue of units or the realisation of investments. Higher liquidity levels may also arise when the fund's asset allocation policy is changed or when the Manager believes that market conditions warrant it.

Appendix

Income and prices	Distributed UK p	Reinvested UK p	Income units		Accumulation units	
			Highest UK p	Lowest UK p	Highest UK p	Lowest UK p
Financial year						
2020	3.50	371.71	91.98	64.10	9,725.55	6,838.75
2021	3.30	304.62	91.19	74.71	10,371.01	8,265.73
2022	3.50	389.29	92.24	82.73	10,739.55	9,759.17
2023	3.80	427.81	92.75	83.11	11,179.94	10,101.24
2024	4.05	460.31	95.68	83.54	12,299.79	10,424.04
2025 ^a	1.80	217.93	96.11	85.93	12,640.93	11,314.17

^a To 1 May 2025.

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and a charity may not receive back the original amount it invested.

