

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) TAP Global Listed Infrastructure Fund
Legal Entity Identifier: 2549003UF6Z6PBHCNI58

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

X

No

☐ It made **sustainable investments with an environmental objective:**

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ___%

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 55.38% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach by excluding certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist in it delivering more sustainable outcomes. This also included exclusions adopted in consideration of the Transition Acceleration Policy (TAP) as described in the ESG Criteria (“Exclusionary Approach”).

The Fund promoted the use of a Positive ESG Tilt by maintaining a weighted average ESG rating that was equivalent to at least an MSCI A rating. In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. It also made investments that are SDG-contributing (as defined below).

The Fund considers the UN Sustainable Development Goals (SDGs) as part of its investment process and the sustainability themes considered by the Investment Manager are based on the SDGs as a relevant framework to measure contribution to sustainability factors (“SDG-contribution”). The Fund made investments that were SDG-contributing.

All investments made by the Fund to attain the environmental or social characteristics were assessed for good governance and have passed the Investment Manager’s test for good governance. The Investment Manager operates a data-driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager’s good governance test.

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When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

No derivatives were used to attain the environmental or social characteristics.

While the Fund did not have as its objective a sustainable investment, it had a proportion of 55.38% in sustainable investments, 29.27% of them with an environmental objective and 26.11% with a social objective. For further details of the sustainable investments, please see the relevant sections below.

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

● How did the sustainability indicators perform?

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period. The Fund made 29.33% investments by value that were SDG-contributing.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met.

The Fund applied its Exclusionary approach throughout the period and the Fund's average ESG Score was 8.05, which was equivalent to at least an MSCI A rating (or numerical score of at least 5.71). Please see the below table for an overview of the Fund's performance relative to its sustainability indicators over the previous reference period. Note that the Fund's promotion of an Positive ESG Tilt was introduced during the reference period 2023-2024 and therefore no Fund data is available for this sustainability indicator in the previous reference period.

The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

The indicators shown were not subject to assurance/review provided by an external party.

Sustainability indicator name	Value	Eligibility	Coverage
As at - 31 March 2026			
Percentage (%) of investments by value that is SDG-contributing	29.33 %	100.00%	29.32%
Portfolio weighted average ESG score for the fund	8.05 ESG Score	91.55%	100.00%
Portfolio weighted average ESG score for the investment universe	6.79 ESG Score	99.99%	99.65%
Percentage (%) of NAV held in excluded investments	-	100.00%	0.00%

Sustainability indicator name	Value	Eligibility	Coverage
As at - 31 March 2025			
Percentage (%) of investments by value that is SDG-contributing	11.28 %	100.00%	12.02%
Portfolio weighted average ESG score for the investment universe	-	-	-
Portfolio weighted average ESG score for the fund	7.80 ESG Score	91.55%	98.48%
Percentage (%) of NAV held in excluded investments	-	100.00%	0.00%

Sustainability indicator name	Value	Eligibility	Coverage
As at - 31 March 2024			
SDG-contributing: Percentage (%) of investments by value that is SDG-contributing	8.27%	100.00%	9.75%

Sustainability indicator name	Value	Eligibility	Coverage
As at - 31 March 2024			
SDG-contributing: Percentage (%) of investments by value that is SDG-contributing	8.27%	100%	9.75%

- **...and compared to previous periods?**

The proportion of the Fund's sustainable investments in this reporting period at 55.38% was lower than in the previous reporting periods, when it was 62.99% (2025) and 59.70% (2024).

As it did in the previous reporting periods, the Fund complied with its Exclusionary Approach at all times during the period.

The percentage of investments by value that was SDG-contributing in this reference period was higher than the percentage of investments by value that was SDG-contributing in the previous reference periods. Coverage of the Fund related to this sustainability indicator had increased compared to previous reporting periods. SDG contribution frameworks were enhanced in 2025 based on the full integration of a new SDG revenue provider (Net Purpose).

Prior to the 2025 reporting period, the Fund did not promote a Positive ESG Tilt and therefore there is no comparison shown for the 2024 reference period.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund's commitment to sustainable investments is outlined in the Fund Prospectus. This states that the Fund will have a minimum proportion of 40% of sustainable investments, comprising those with an environmental objective and/or a social objective. Those with an environmental objective do not need to qualify as environmentally sustainable under the EU Taxonomy. During the reporting period, the Fund held 55.38% investments that the Investment Manager deemed sustainable. These investments met at least one of the thresholds, defined by the Investment Manager, for positive contribution to a sustainable objective.

0% of the Fund's sustainable investments with an environmental objective were positively assessed for Taxonomy alignment. 29.27% of the Fund's sustainable investments related to investments with other environmental characteristics, and 26.11% were in socially sustainable investments.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as set out in the following section.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Fund took the mandatory principal adverse impact (PAI) indicators, as set out in table 1 of Annex 1 of the SFDR Regulatory Technical Standards, and any relevant opt-in indicators from tables 2 and 3, into account to ensure that the Fund's sustainable investments do not do significant harm to any sustainability factor. PAIs 1-6 relating to carbon emissions were taken into account by way of applying the exclusions set out in the Manager's Thermal Coal Policy as well as the Manager's DNSH test which also includes a revenue-based exclusion relating to fossil fuel activities. PAI 14 on controversial weapons was taken into account by applying the Manager's Controversial Weapons Policy. PAI 7 on biodiversity was taken into account by applying a controversy-based exclusion which forms part of the Manager's DNSH test. The Fund also excluded any company which did not pass the Managers' Global Norms Process. The Fund may have applied additional exclusions, as outlined in the Fund's Prospectus, some of which may be relevant to addressing PAIs.

PAIs that were not addressed by way of exclusions were assessed and taken into account as part of the

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Manager's investment research process.

Where investments are reported as Taxonomy aligned, the economic activities invested in also met the do no significant harm criteria as set out in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (EU Taxonomy Regulation).

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

All sustainable investments are subject to the manager's Global Norms Process which assesses adherence to the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager received principal adverse impact research data to identify the Fund's principal adverse impacts prior to investing. Consideration of certain principal adverse impacts was reinforced by applying the exclusions as set out in M&G house Policies; fund-specific exclusions as set out in the Fund Prospectus; or were screened out as a result of the Investment Manager's Global Norms Process. Where no exclusions were applied, principal adverse impacts were assessed as part of the investment research process and monitored by the Investment Manager on an ongoing basis.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2025 to 31/03/2026

Largest investments	ISIN	Sector	% Assets	Country
AMERICAN TOWER REIT CORP	US03027X1000	Real estate activities	3.98%	US
EQUINIX REIT INC	US29444U7000	Information and communication	3.87%	US
NATIONAL GRID PLC	GB00BDR05C01	Electricity, gas, steam and air conditioning supply	3.57%	GB
GIBSON ENERGY INC	CA3748252069	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.34%	CA
EVERSOURCE ENERGY	US30040W1080	Electricity, gas, steam and air conditioning supply	3.02%	US
APA GROUP UNITS	AU000000APA1	Transportation and storage	3.01%	AU
SEMPRA	US8168511090	Electricity, gas, steam and air conditioning supply	2.85%	US
NEXTERA ENERGY INC	US65339F1012	Electricity, gas, steam and air conditioning supply	2.82%	US
ELIA GROUP SA	BE0003822393	Electricity, gas, steam and air conditioning supply	2.70%	BE
ENEL	IT0003128367	Electricity, gas, steam and air conditioning supply	2.69%	IT
E.ON N	DE000ENAG999	Electricity, gas, steam and air conditioning supply	2.60%	DE
GETLINK	FR0010533075	Transportation and storage	2.58%	FR
VINCI SA	FR0000125486	Construction	2.57%	FR
CSX CORP	US1264081035	Transportation and storage	2.57%	US
TC ENERGY CORP	CA87807B1076	Transportation and storage	2.55%	CA

These investments represent an annual average of four quarters measured over the reporting period.

Please note that the Investment Manager identifies separate company issues when compiling this table of Top Investments rather than grouping issuers at a company (issuer) level.



What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 40% in Sustainable Investments.

Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The figures are calculated as at 31 March 2026.

The % of investments that were aligned to the environmental or social characteristic promoted was 98.17% of NAV. This comprised 55.38% of NAV in sustainable investments, and the remaining 42.78% of NAV in investments with other environmental and/or social characteristics.

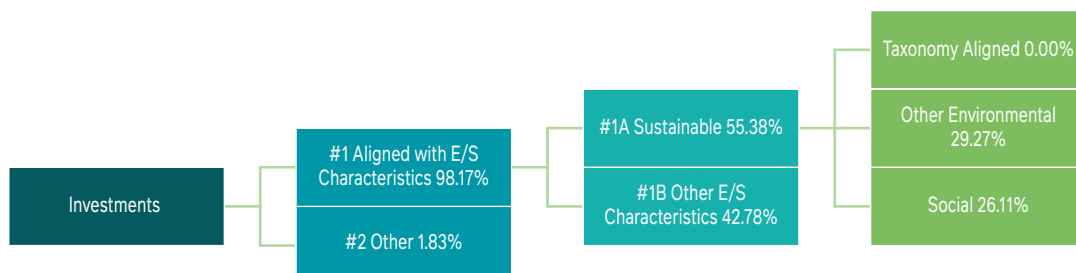
The Fund did not commit to invest in investments aligned to the EU Taxonomy, and 0% were aligned to the EU Taxonomy. 29.27% related to investments with other environmental characteristics, and 26.11% related to socially sustainable investments. 1.83% of the Fund was held in "other" investments that were not aligned to the promoted environmental or social characteristics.

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?

The graphic below provides an overview of the asset allocation.

Asset allocation values for the current period may not be comparable to the previous period(s) due to changes relating to the (a) presentation of incidental EU Taxonomy aligned investments (b) methodology in how assets contributing to both environmental and social objectives are allocated and/or (c) basis of the calculation of data (year-end versus average of four quarters). These changes did not have any impact on the Fund's minimum commitments and the attainment of these commitments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities), as developed by the European Union, and is expressed as a % of Net Asset Value (NAV).

The table shows a breakdown of the sectors and sub-sectors to which the Fund is exposed.

The investment breakdown shown represents an annual average of four quarterly measurements taken over the reporting period.

Economic Sector	% Assets
Electricity, gas, steam and air conditioning supply	32.98%
Transportation and storage	20.80%
Land transport and transport via pipelines	16.81%
Warehousing and support activities for transportation	3.99%
Financial and insurance activities	13.91%
Financial service activities, except insurance and pension funding	3.27%
Activities auxiliary to financial services and insurance activities	10.64%
Wholesale and retail trade; repair of motor vehicles and motorcycles	7.91%
Wholesale trade, except of motor vehicles and motorcycles	7.91%
Real estate activities	5.56%
Information and communication	5.17%
Telecommunications	1.14%
Information service activities	4.03%
Mining and quarrying	4.68%
Extraction of crude petroleum and natural gas	4.68%
Construction	4.09%
Civil engineering	4.09%
Water supply; sewerage, waste management and remediation activities	3.06%
Water collection, treatment and supply	2.03%
Waste collection, treatment and disposal activities; materials recovery	1.03%

Other*	1.83%
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*These investments are investments for which no NACE code is available.

A breakdown of the sub-sectors the Fund is exposed to, including any sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage, and trade of fossil fuels, is provided above.



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation was 0% as at 31 March 2026. Please note that the allocation to EU Taxonomy aligned investments made during this reporting period are incidental and may be lower or 0% in future periods.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☒ Yes:

☐ In fossil gas

☒ In nuclear energy

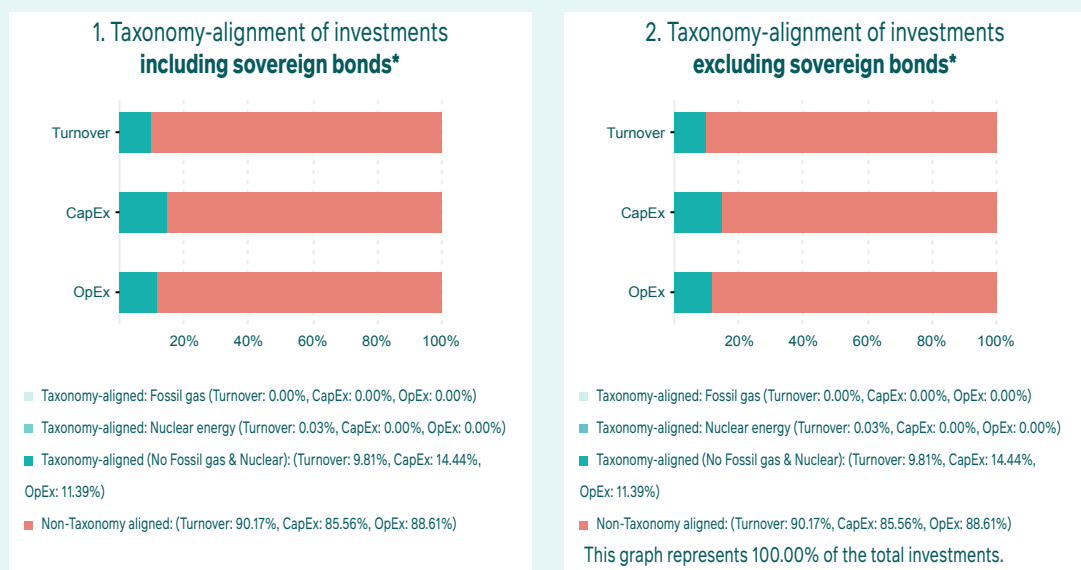
☐ No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Taxonomy Environmental Objective	Percentage of Contribution
Climate Change Mitigation	9.82%
Climate Change Adaption	0.00%
Use and Protection of Water and Marine Resources	0.00%
Transition to a Circular Economy	0.01%
Pollution Prevention and Control	0.01%
Protection and Restoration or Biodiversity and Ecosystems	0.00%

The above graph and table describe the incidental EU Taxonomy alignment of all investments the Fund has made.

The EU Taxonomy data was not subject to a third-party review or an assurance provided by an auditor. Alignment has been obtained using multiple third-party data providers and is based on figures reported by companies to meet their obligations under the EU Taxonomy Regulation. Due to inconsistencies in how taxonomy-related information are reported across the investment chain, the sum of the percentage contribution across the six Taxonomy Environmental objectives in the table above may not equate to the sum of the Taxonomy-aligned investments disclosed in the bar graph. We continue to seek ways to enhance the consistency and reliability of the information presented. These figures are presented for transparency purposes only and did not affect the way the Fund has been managed.

● What was the share of investments made in transitional and enabling activities?

The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 6.46%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	6.46%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The fund held a higher percentage of taxonomy-aligned investments overall as at 31 March 2026 compared with the previous periods, as can be seen in the table below.

Please note that the methodology to calculate the asset allocation has changed from the previous reference periods and as such the data is not an exact comparison.

The figures within 'Excluding sovereign bonds' as at 31 March 2025 have been restated to align with the methodology applied as at 31 March 2024 and the current reporting period, improving comparability of disclosures over time. This restatement does not reflect a change in how the Fund is managed.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Reference period	Including sovereign bonds			Excluding sovereign bonds		
	Turnover	CapEx	OpEx	Turnover	CapEx	OpEx
As at - 31 March 2026	9.83%	14.44%	11.39%	9.83%	14.44%	11.39%
As at - 31 March 2025	8.95%	12.03%	9.77%	8.95%	12.03%	9.77%
As at - 31 March 2024	8.00%	11.00%	8.00%	8.00%	11.00%	8.00%



are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 29.27%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned and not aligned to the EU Taxonomy), as stated in the Fund's precontractual disclosure.

Corporate disclosure of EU Taxonomy alignment is still in a nascent phase and reported Taxonomy alignment data remains low for the time being. We keep our approach under review as we expect the numbers to increase as corporates gain further experience with the reporting of EU Taxonomy alignment, and as more corporates align their economic activities to the criteria of the EU Taxonomy.



What was the share of socially sustainable investments?

The share of socially sustainable investments was 26.11%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, currency derivatives and a money market fund as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

It is also possible that the Fund may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Fund will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund committed to promoting the use of an Exclusionary Approach, a Positive ESG Tilt, and making investments that were SDG-contributing. Its compliance with the same is reported in the sustainability indicators section shown above.



How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A