

M&G Investment Funds (1)

**Interim report and unaudited financial statements
for the six months ended 29 February 2024**

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Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Investment Funds (1) presents its interim report and unaudited financial statements for the six months ended 29 February 2024.

The unaudited financial statements of M&G Investment Funds (1), the Authorised Corporate Director's Reports including the portfolio statements, financial highlights and the unaudited financial statements and notes of each sub-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/private-investor/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.

Company information

M&G Investment Funds (1) is an umbrella Open-Ended Investment Company (OEIC) and contains eight sub-funds, hereinafter referred to as 'funds' in the rest of this report. Each fund is a UK UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the Financial Conduct Authority (FCA). This OEIC is an Investment Company with Variable Capital (ICVC) incorporated under the Open-Ended Investment Companies Regulations 2001. It is authorised and regulated by the FCA under the Financial Services and Markets Act 2000.

The Company was authorised on 6 June 2001 and was launched on 1 November 2001, following the conversion of a series of authorised unit trusts.

The Company's principal activity is to carry out business as an OEIC. The Company is structured as an umbrella company, and different funds may be established by the ACD from time to time with the agreement of the Depositary and approval from the FCA. The funds are operated separately and the assets of each fund are managed in accordance with the investment objective and policy applicable to that fund.

As at 29 February 2024, none of the funds held shares of the other funds within this OEIC.

A shareholder is not liable for the debts of the Company and will never be liable to make any further payment to the Company after paying the purchase price of the shares.

Fund managers

The following fund managers are employed by M&G FA Limited which is an associate of M&G Securities Limited.

M&G Asian Fund

David Perrett

M&G European Sustain Paris Aligned Fund

John William Olsen

M&G Global Sustain Paris Aligned Fund

John William Olsen

M&G Global Themes Fund

Alex Araujo

M&G Japan Fund

Carl Vine

M&G Japan Smaller Companies Fund

Carl Vine

M&G North American Dividend Fund

John Weavers

M&G North American Value Fund

Daniel White

ACD

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 ACD

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

Authorised Corporate Director's Report

Investment manager

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)

Depository

NatWest Trustee & Depository Services Limited,
House A, Floor 0, 175 Glasgow Road, Gogarburn,
Edinburgh EH12 1HQ, UK
(Authorised and regulated by the Financial Conduct 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 2023 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 these funds have on the climate and equally how climate change could influence the performance of these funds. 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 ACD continues to monitor the associated risks that are posed to the Company.

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.

Authorised Corporate Director's Report

Investor information

The Prospectus, Instrument of Incorporation, Key Investor Information Documents, costs and charges illustration, the latest annual or interim investment report and financial statements as well as a list of purchases and sales are available free of charge on request from the following addresses. The Instrument of Incorporation can also be inspected at our offices or at the office of the Depositary.

Customer services and administration for UK clients:

M&G Securities Limited,
PO Box 9039, Chelmsford CM99 2XG, UK

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: 0800 390 390 (UK only)

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

Customer services and administration for non-UK clients:

M&G Securities Limited,
c/o CACEIS Investor Services Bank S.A.
14 Porte de France,
L-4360 Esch-sur-Alzette,
Luxembourg

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: +352 2605 9944
Email: csmang@caceis.com

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

German information agent:

M&G International Investments Limited,
mainBuilding, Taunusanlage 19, 60325 Frankfurt am
Main, Germany

Authorised Corporate Director's Report

Authorised Corporate Director's Responsibilities

The Authorised Corporate Director (ACD) is required to prepare annual and interim reports for the Company. The ACD must ensure that the financial statements contained in this report for each of the funds, are prepared in accordance with the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP) and UK Financial Reporting Standards, and give a true and fair view of the net revenue or expenses and net capital gains or losses for the accounting period, and the financial position at the end of that period.

The ACD is required to keep proper accounting records, and to manage the Company in accordance with the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA, the Instrument of Incorporation and the Prospectus, and to take reasonable steps for the prevention and detection of fraud or other irregularities. Additionally, the ACD is responsible for preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in operation.

Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the Financial Conduct Authority.

M&G Securities Limited
23 April 2024

Financial statements and notes

The financial statements for M&G Investment Funds (1) comprise the individual financial statements for each 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 Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company 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 ACD has made an assessment of each 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 financial statements for the year ended 31 August 2023. They are prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the MSCI AC Asia Pacific ex Japan Index over any five-year period.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity-related securities of companies across any sectors and market capitalisations that are incorporated, domiciled, or do most of their business in the Asia Pacific region (excluding Japan).

The fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach identifies shares of Asia Pacific ex Japan companies which, in the fund manager's opinion at the time of investment, are undervalued.

When analysing a company, the fund manager focuses on three key factors: return on capital, valuations and corporate governance.

The fund manager believes that company-specific factors, in particular their profitability (which is measured in terms of return on capital), drive share prices over the long term.

Benchmark

Benchmark: MSCI AC Asia Pacific ex Japan Index.

The benchmark is a target which the fund seeks to outperform. 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 fund 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.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

Authorised Corporate Director's Report

Investment review

For the six months ended 29 February 2024

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the fund's sterling share classes delivered a positive total return (the combination of income and growth of capital). Fund performance was ahead of the benchmark, the MSCI AC Asia Pacific ex Japan Index, which advanced 4.7% during the period.

The fund has also outperformed its benchmark over five years (the benchmark returned 4.0% pa in this time). It has therefore met the objective of providing a higher total return, net of the ongoing charge figure, than that of the MSCI AC Asia Pacific ex Japan Index, over any five-year period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

The MSCI AC Asia Pacific ex Japan Index gained during the review period, though not as much as the MSCI AC World Index, which returned 12% in sterling terms. Like others worldwide, Asian equity markets dipped in October: headwinds included the Israel-Hamas conflict and the US Federal Reserve's 'higher for longer' rhetoric on interest rates. But they rallied at the end of 2023 as central banks turned more dovish, and by February most markets were reporting gains.

India and Taiwan were among the best-performing regions during the period. Taiwan, in particular, benefitted from technology exposure, with MediaTek and Taiwan Semiconductor Manufacturing delivering impressive returns in a booming sector. In India, Infosys and petroleum refiner Reliance Industries were standout performers.

On the other hand, China (where a significant portion of the portfolio is invested) fell heavily. While stimulus measures aimed at boosting growth have been slow to take effect, the MSCI China and the Hang Seng finally moved into positive territory in February after a poor

run. Market perceptions of the country's real estate sector remain poor, despite the controlled nature of the downturn in our opinion.

The fund performed positively over the period and outperformed its benchmark. In line with our strategy, security selection was the main driver of outperformance. The fund's overweight exposure to China and Hong Kong and underweight exposure to India and Taiwan weighed on returns. However, favourable security selection mitigated this impact, other than in India, where it detracted.

At a stock level, exposure to Hyundai made the biggest relative contribution: the company's share price soared on news that it planned to list its Indian business on India's booming stockmarket. Our positions in Samsung Life Insurance and Weichai Power were also advantageous. As a global leader in hydrogen power solutions for truck engines, we believe Weichai Power is well positioned for structural growth as the world transitions away from fossil fuels. Brilliance China Automotive, a company we have followed for some time and a consistently strong contributor, continued to add value.

However, holdings in China's JD.com and KE (an online property platform) detracted. JD.com has been weak on concerns about falling consumer demand and online competition, but we believe its shares are attractively valued. As mentioned, several financial names underperformed, and exposure to the likes of HDFC Bank, Bandhan Bank and GF Securities detracted.

Investment activities

Early in the period we opened a new position in Chinese meat producer WH, which performed well. We switched out of China Construction Bank and into China Merchants Bank, one of the country's premier retail banks.

Later, we started new positions in LG Chem and Venture. We exited holdings in Han's Laser Technology and VTech. Crystal International, a Chinese group making clothes for global brands such as Uniqlo, H&M and Levi's, was another addition.

Authorised Corporate Director's Report

At the end of 2023, we added New World Development (NWD), a Hong Kong-based holding company focused on property development and department stores. So far this year, we have initiated a new position in FBR (an Australian robotics company specialising in the construction industry).

Outlook

Despite weakness in China during the period, the fund performed well, demonstrating the sustained effectiveness of our disciplined, bottom-up investment strategy. We continue our approach of selecting individual stocks, based on thorough proprietary research. Rather than trying to predict the future, we aim to price risk successfully where we identify a dislocation between the price of a business and what we think is its underlying value.

Looking ahead, we remain constructive on many Asian markets, especially China. For the most part, Asian economies have adopted monetary policies, which are appropriate for their own domestic economic circumstances through 2023, choosing not to follow the US Federal Reserve. As a result, the Asia ex-Japan outlook seems to be one of relatively low inflation, interest rates and gradual economic growth.

This is typically a positive backdrop for financial markets, especially considering undemanding equity valuations and competitive currencies. Chinese markets stand out as especially attractively valued, in our view, and, while there remain stress points in some parts of the Chinese real estate market and banking system, there are also exciting areas of structural growth; not least within industries tied to energy transition.

David Perrett

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities	273,535	98.07	100.03
Ireland	1,809	0.65	0.61
14,333 PDD ADR	1,809	0.65	
United States	2,307	0.83	1.09
4,982,000 Nexteer Automotive	2,307	0.83	
Canada	1,548	0.55	0.97
59,618 Cenovus Energy	1,024	0.36	
49,178 Cenovus Energy Warrants 01/01/2026	524	0.19	
Australia	36,261	13.00	14.61
631,834 Amcor	5,609	2.01	
288,353 ANZ	5,329	1.91	
230,738 BHP	6,587	2.36	
169,450 BlueScope Steel	2,515	0.90	
8,380 CSL	1,559	0.56	
47,151,235 FBR	705	0.25	
108,701 Mesoblast Warrants 20/03/2028	0	0.00	
75,759 Mineral Resources	3,282	1.18	
252,895 National Australia Bank	5,561	1.99	
772,271 Stockland REIT	2,248	0.81	
145,243 Woodside Energy	2,866	1.03	
China	56,760	20.35	22.16
560,576 Alibaba	5,195	1.86	
91,484 Autohome ADR	2,403	0.86	
94,500 BYD	2,509	0.90	
7,902,000 CGN Power	2,394	0.86	
847,500 China Merchants Bank	3,299	1.18	
39,386,000 China Tower	4,780	1.71	
2,120,600 GF Securities	2,283	0.82	
82,693 H World ADR	3,100	1.11	
3,079,000 Hainan Meilan International Airport	2,886	1.04	
2,001,200 Huatai Securities	2,364	0.85	
399,803 JD.com	4,521	1.62	
1,953,850 Jiangsu Zhongtian Technology	3,546	1.27	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
China (continued)			
281,846 KE ADR	3,867	1.39	
116,680 Meituan	1,183	0.42	
238,000 MINISO	1,100	0.39	
12,610 MINISO ADR	227	0.08	
5,940,500 Sinopec Engineering	3,266	1.17	
1,471,000 Weichai Power	2,886	1.04	
3,806,300 Yangzijiang Shipbuilding	4,951	1.78	
Hong Kong	37,113	13.31	12.20
548,800 AIA	4,447	1.59	
122,600 Baidu	1,553	0.56	
1,363,500 BOC Hong Kong	3,594	1.29	
2,438,000 Brilliance China Automotive	1,412	0.51	
575,850 CK Hutchison	2,919	1.05	
6,079,000 Crystal International	2,203	0.79	
820,345 HutchMed ^a	2,535	0.91	
1,390,000 New World Development	1,754	0.63	
303,000 Sun Hung Kai Properties	3,049	1.09	
244,500 Techtronic Industries	2,643	0.95	
228,300 Tencent	8,062	2.89	
4,880,000 WH	2,942	1.05	
India	22,955	8.23	8.49
1,141,580 Bandhan Bank	2,707	0.97	
351,668 Cartrade Tech	3,359	1.20	
407,290 HDFC Bank	6,914	2.48	
280,309 ICICI Bank	3,566	1.28	
138,870 Infosys	2,809	1.01	
101,951 Reliance Industries	3,600	1.29	
Indonesia	6,514	2.34	2.80
8,828,000 Bank Mandiri	3,932	1.41	
6,624,900 Bank Rakyat Indonesia	2,582	0.93	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Singapore	17,809	6.38	5.99
311,686 DBS	7,722	2.77	
4,584,300 Genting Singapore	3,084	1.10	
7,553,800 NetLink NBN Trust	4,716	1.69	
219,900 Venture	2,286	0.82	
120,000 Vertex Technology Acquisition Warrants 31/12/2029	1	0.00	
South Korea	40,317	14.45	13.06
48,498 Hyundai Motor Preference Shares	5,809	2.08	
101,374 KB Financial	4,834	1.73	
5,824 LG Chem	1,981	0.71	
20,149 Samsung Electro-Mechanics	2,118	0.76	
251,651 Samsung Electronics	13,853	4.97	
16,611 Samsung Fire & Marine Insurance	3,711	1.33	
62,072 Samsung Life Insurance	4,517	1.62	
29,782 SK Hynix	3,494	1.25	
Taiwan	27,574	9.89	8.88
291,220 Delta Electronics	2,713	0.98	
74,000 MediaTek	2,657	0.95	
1,017,178 Taiwan Semiconductor Manufacturing	22,204	7.96	
Thailand	6,277	2.25	2.14
708,900 Bangkok Bank	2,827	1.01	
1,010,100 Kasikornbank	3,450	1.24	
Bermuda	16,291	5.84	6.17
627,000 CK Infrastructure	3,686	1.32	
5,182,255 COSCO SHIPPING Ports	3,088	1.11	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Bermuda (continued)			
19,918,000 Pacific Basin Shipping	5,823	2.09	
8,160,000 Sinopec Kantons	3,694	1.32	
Cayman Islands	0	0.00	0.86
Total portfolio	273,535	98.07	100.03
Net other assets/(liabilities)	5,382	1.93	(0.03)
Net assets attributable to shareholders	278,917	100.00	100.00

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

^a AIM quoted.

Portfolio statement

Top ten portfolio transactions for the six months to 29 February 2024

Largest purchases	\$'000
China Merchants Bank	3,502
Bangkok Bank	3,140
WH	2,897
Taiwan Semiconductor Manufacturing	2,726
BYD	2,660
Samsung Electronics	2,216
Crystal International	2,202
Tencent	2,116
New World Development	2,014
LG Chem	1,972
Other purchases	48,692
Total purchases	74,137

Largest sales	\$'000
China Construction Bank	3,602
BYD	2,308
Bangkok Bank	2,248
VTech	1,625
Vertex Technology Acquisition	1,449
MINISO ADR	1,393
National Australia Bank	1,392
Samsung Electronics	1,321
Han's Laser Technology Industry	1,306
Samsung Life Insurance	1,154
Other sales	19,322
Total sales	37,120

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+4.8	+1.7	+4.9	+6.4
Class 'A' Accumulation	+4.8	+1.7	+4.9	+6.4
Class 'I' Income	+5.0	+2.1	+5.4	+7.1
Class 'I' Accumulation	+5.0	+2.1	+5.4	+7.1
Class 'PP' Income	+5.1	n/a	n/a	n/a
Class 'PP' Accumulation	+5.1	n/a	n/a	n/a
Class 'R' Income	+4.9	+1.8	+5.2	+6.8
Class 'R' Accumulation	+4.9	+1.8	+5.2	+6.8
Benchmark	+4.7	-3.1	+4.0	+7.2

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 14 September 1973.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	1,402.71	1,512.62	1,558.37
Return before operating charges	74.48	(38.95)	39.52
Operating charges	(7.24)	(18.68)	(20.73)
Return after operating charges	67.24	(57.63)	18.79
Distributions	n/a	(52.28)	(64.54)
Closing NAV	1,469.95	1,402.71	1,512.62
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.75	1.85	1.49
Dilution adjustments	(0.45)	(0.41)	(0.13)
Total direct transaction costs	0.30	1.44	1.36
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	1.01	1.25	1.35
Return after charges	+4.79	-3.81	+1.21
Other information			
Closing NAV (\$'000)	135,825	115,861	116,985
Number of shares	7,304,166	6,514,022	6,658,008
Highest share price (UK p)	1,487.71	1,627.02	1,592.73
Lowest share price (UK p)	1,367.20	1,291.90	1,377.45

Sterling Class 'A' Accumulation share performance

The share class was launched on 14 September 1973.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,727.24	2,833.79	2,800.44
Return before operating charges	143.97	(71.43)	70.57
Operating charges	(14.03)	(35.12)	(37.22)
Return after operating charges	129.94	(106.55)	33.35
Distributions	n/a	(64.56)	(74.32)
Retained distributions	n/a	64.56	74.32
Closing NAV	2,857.18	2,727.24	2,833.79
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	1.46	3.46	2.68
Dilution adjustments	(0.87)	(0.76)	(0.23)
Total direct transaction costs	0.59	2.70	2.45
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	1.01	1.26	1.35
Return after charges	+4.76	-3.76	+1.19
Other information			
Closing NAV (\$'000)	14,978	15,167	17,433
Number of shares	414,397	438,588	529,601
Highest share price (UK p)	2,891.70	3,049.72	2,861.79
Lowest share price (UK p)	2,657.45	2,421.52	2,474.97

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	1,648.31	1,770.24	1,816.37
Return before operating charges	87.56	(45.80)	46.33
Operating charges	(5.15)	(14.82)	(17.05)
Return after operating charges	82.41	(60.62)	29.28
Distributions	n/a	(61.31)	(75.41)
Closing NAV	1,730.72	1,648.31	1,770.24
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.89	2.17	1.74
Dilution adjustments	(0.53)	(0.48)	(0.15)
Total direct transaction costs	0.36	1.69	1.59
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	0.61	0.85	0.95
Return after charges	+5.00	-3.42	+1.61
Other information			
Closing NAV (\$'000)	28,844	21,588	19,006
Number of shares	1,317,384	1,032,890	924,254
Highest share price (UK p)	1,751.50	1,907.38	1,858.45
Lowest share price (UK p)	1,609.08	1,512.90	1,608.95

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,155.58	2,230.97	2,196.01
Return before operating charges	113.87	(57.04)	55.54
Operating charges	(6.75)	(18.35)	(20.58)
Return after operating charges	107.12	(75.39)	34.96
Distributions	n/a	(59.37)	(68.12)
Retained distributions	n/a	59.37	68.12
Closing NAV	2,262.70	2,155.58	2,230.97
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	1.16	2.76	2.11
Dilution adjustments	(0.70)	(0.61)	(0.18)
Total direct transaction costs	0.46	2.15	1.93
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	0.61	0.82	0.95
Return after charges	+4.97	-3.38	+1.59
Other information			
Closing NAV (\$'000)	88,914	64,199	32,575
Number of shares	3,106,232	2,348,803	1,257,013
Highest share price (UK p)	2,289.83	2,404.92	2,246.35
Lowest share price (UK p)	2,103.63	1,907.50	1,944.76

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 27 April 2023.

Change in NAV per share	Six months to 29.02.24 UK p	Period to 31.08.23 UK p
Opening NAV	97.02	100.00
Return before operating charges	5.14	(1.11)
Operating charges	(0.25)	(0.20)
Return after operating charges	4.89	(1.31)
Distributions	n/a	(1.67)
Closing NAV	101.91	97.02
Direct transaction costs	UK p	UK p
Costs before dilution adjustments	0.05	0.05
Dilution adjustments	(0.03)	(0.01)
Total direct transaction costs	0.02	0.04
Performance and charges	%	%
Direct portfolio transaction costs	0.05	0.09
Operating charges	0.51	0.51
Return after charges	+5.04	-1.31
Other information		
Closing NAV (\$'000)	26	25
Number of shares	20,010	20,010
Highest share price (UK p)	103.13	103.18
Lowest share price (UK p)	94.74	95.89

Sterling Class 'PP' Accumulation share performance

The share class was launched on 27 April 2023.

Change in NAV per share	Six months to 29.02.24 UK p	Period to 31.08.23 UK p
Opening NAV	98.69	100.00
Return before operating charges	5.22	(1.11)
Operating charges	(0.26)	(0.20)
Return after operating charges	4.96	(1.31)
Distributions	n/a	(1.49)
Retained distributions	n/a	1.49
Closing NAV	103.65	98.69
Direct transaction costs	UK p	UK p
Costs before dilution adjustments	0.05	0.05
Dilution adjustments	(0.03)	(0.01)
Total direct transaction costs	0.02	0.04
Performance and charges	%	%
Direct portfolio transaction costs	0.05	0.09
Operating charges	0.51	0.51
Return after charges	+5.03	-1.31
Other information		
Closing NAV (\$'000)	26	25
Number of shares	20,000	20,000
Highest share price (UK p)	104.89	103.18
Lowest share price (UK p)	96.35	95.89

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	161.75	174.16	179.15
Return before operating charges	8.59	(4.49)	4.56
Operating charges	(0.71)	(1.90)	(2.12)
Return after operating charges	7.88	(6.39)	2.44
Distributions	n/a	(6.02)	(7.43)
Closing NAV	169.63	161.75	174.16
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.09	0.21	0.17
Dilution adjustments	(0.05)	(0.05)	(0.01)
Total direct transaction costs	0.04	0.16	0.16
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	0.86	1.10	1.20
Return after charges	+4.87	-3.67	+1.36
Other information			
Closing NAV (\$'000)	998	1,100	1,021
Number of shares	464,901	536,523	504,666
Highest share price (UK p)	171.67	187.45	183.18
Lowest share price (UK p)	157.75	148.78	158.48

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	209.75	217.62	214.74
Return before operating charges	11.07	(5.50)	5.42
Operating charges	(0.92)	(2.37)	(2.54)
Return after operating charges	10.15	(7.87)	2.88
Distributions	n/a	(5.27)	(6.06)
Retained distributions	n/a	5.27	6.06
Closing NAV	219.90	209.75	217.62
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.11	0.27	0.21
Dilution adjustments	(0.07)	(0.06)	(0.02)
Total direct transaction costs	0.04	0.21	0.19
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.09	0.09
Operating charges	0.86	1.11	1.20
Return after charges	+4.84	-3.62	+1.34
Other information			
Closing NAV (\$'000)	9,306	9,220	9,388
Number of shares	3,345,292	3,466,724	3,713,967
Highest share price (UK p)	222.55	234.35	219.53
Lowest share price (UK p)	204.50	186.00	189.93

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Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		10,221		7,629
Revenue	2,899		2,485	
Expenses	(1,038)		(1,220)	
Interest payable and similar charges	0		(1)	
Net revenue/(expense) before taxation	1,861		1,264	
Taxation	(408)		(200)	
Net revenue/(expense) after taxation		1,453		1,064
Total return before equalisation		11,674		8,693
Equalisation		197		122
Change in net assets attributable to shareholders from investment activities		11,871		8,815

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		227,185		196,408
Amounts received on issue of shares	49,898		23,700	
Amounts paid on cancellation of shares	(10,177)		(3,099)	
		39,721		20,601
Dilution adjustments		137		58
Change in net assets attributable to shareholders from investment activities (see above)		11,871		8,815
Unclaimed distributions		3		2
Closing net assets attributable to shareholders		278,917		225,884

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	29 February 2024 \$'000	31 August 2023 \$'000
Assets		
Fixed assets		
Investments	273,535	227,260
Current assets		
Debtors	2,476	759
Cash and bank balances	2,027	5,875
Cash equivalents	2,246	3,241
Total assets	280,284	237,135
Liabilities		
Creditors		
Bank overdrafts	0	(3,694)
Distribution payable	0	(5,162)
Other creditors	(638)	(532)
Deferred tax provision	(729)	(562)
Total liabilities	(1,367)	(9,950)
Net assets attributable to shareholders	278,917	227,185

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

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For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund has two aims:

- To provide a higher total return (capital growth plus income), net of the ongoing charge figure, than that of the MSCI Europe ex UK Index over any five-year period; and
- To invest in companies that contribute towards the Paris Agreement climate change goal.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity-related securities of companies across any sector and market capitalisation that are incorporated, domiciled or listed in Europe, excluding the UK. The fund has a concentrated portfolio and usually holds fewer than 35 companies.

The fund invests in securities that meet the ESG Criteria and Sustainability Criteria.

The following types of exclusions apply to the fund's direct investments:

- Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption.
- Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the fund's sector-based and/or values-based criteria.
- Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Sustainability Criteria.

References to 'assessed' above mean assessment in accordance with the ESG Criteria and Sustainability Criteria document as disclosed in the ESG Information

section below. Further information on the exclusions applicable to the fund can be found in this document.

The fund may also invest in other transferable securities, money market instruments, cash and near cash for liquidity purposes, directly and via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

As explained in the ESG Criteria and Sustainability Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. The fund manager will assess the suitability of such instruments relative to the fund's investment objective.

Investment approach

The fund is a focused Europe ex UK equity fund, investing over the long term in sustainable companies which contribute to the long-term global warming objectives of the Paris Agreement, by either having a Low Carbon Intensity and/or a Reducing Carbon Intensity. Low Carbon Intensity means a carbon intensity lower than 50% of the weighted average carbon intensity of the fund's benchmark, the MSCI Europe ex UK Index. Reducing Carbon Intensity companies mean companies that have Science Based Targets aligned with the Paris Agreement or have committed to have them in place within a defined time period. The fund manager considers that active engagement with these companies is key to sustain positive change.

In addition, these companies need to demonstrate business models competitively positioned to protect their profitability as well as an ongoing commitment to decarbonisation. Importantly, the fund invests in businesses where short-term issues have provided a clear valuation opportunity. The fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. The fund

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manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Sustainability considerations encompassing ESG factors are fully integrated into the investment process through ongoing engagement with investee companies. In particular, climate considerations, including investing in Low and/or Reducing Carbon Intensity companies and non-mandatory factors such as whether companies are providing direct solutions to the climate challenge via their products and services, play an important role in determining the investment universe, stock selection, and portfolio construction, alongside other sustainability considerations. The fund will typically have a weighted average carbon intensity of less than half that of the MSCI Europe ex UK Index.

ESG Information

Additional information is available to investors on the fund page of the M&G website:

- ESG Criteria and Sustainability Criteria: in the document titled 'M&G European Sustain Paris Aligned Fund – ESG Criteria and Sustainability Criteria' which includes the fund's exclusions approach.
- An Annual ESG and Sustainability Report providing an assessment of the sustainable objective of the fund will also be published when available.
- Any other periodic reporting against the sustainable objective of the fund.

Benchmark

Benchmark: MSCI Europe ex UK Index.

The benchmark is the target for the fund's financial objective and is used to measure the fund's financial performance. The index has been chosen as the fund's benchmark as it best reflects the financial aspects of the fund's investment policy.

The benchmark is also used to define what a Low Carbon Intensity company is and to measure the fund's weighted average carbon intensity but does not otherwise constrain the fund's portfolio construction.

The fund is actively managed and within given constraints, the fund 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, and as a result the fund's performance may deviate materially from the benchmark.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

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Investment review

For the six months ended 29 February 2024

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the M&G European Sustain Paris Aligned Fund delivered a positive total return (the combination of income and growth of capital) across all of its sterling share classes. However, the fund slightly underperformed its benchmark, the MSCI Europe ex UK Index, which returned 9.6% over the same period.

Over five years, the fund has outperformed its benchmark. The fund has therefore achieved its financial objective which is to provide a higher total return (capital growth plus income), net of the ongoing charge figure, than that of the MSCI Europe ex UK Index over any five-year period. The index delivered an annualised return of 8.7% over this period.

With regards to the fund's non-financial objective to invest in companies that contribute towards the Paris Agreement climate change goal (ie companies that have a low and/or reducing carbon intensity), data at the end of the period showed the fund's weighted average carbon intensity (WACI) was more than 50% lower than the WACI of the fund's benchmark.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

At the start of the six-month period under review, European equities found themselves on shaky ground, amid concerns about the economic outlook and soaring bond yields (after a bond sell-off). Investors were forced to contend with the prospect that interest rates might remain higher for longer after the European Central Bank hiked rates in September 2023.

However, from November onwards, equity markets began to thrive: signs of easing inflation and hopes that interest rates had peaked boosted investor morale. The rally in European shares has continued into the first two

months of 2024, supported by strong performance from technology stocks.

Stock selection proved detrimental to the fund's relative performance over the period, particularly in industrials, financials and consumer discretionary. The fund's below benchmark position in technology also detracted. In contrast, stockpicking in healthcare and, to a lesser extent, in communication services had a positive impact on relative returns. The fund's above benchmark position in industrials also proved beneficial to relative performance.

Key detractors from relative performance included Grifols and DSV. In January, Grifols' share price fell following a short report from hedge fund Gotham City Research which questioned Grifols' accounting practices. The report alleged that the company had misrepresented its leverage level and failed to disclose a number of transactions. Both accusations were subsequently disproved.

In February, Grifols' share price tumbled again after it reported a steep decline in annual profit, primarily due to restructuring costs.

The top contributors to relative performance were ALK-Abelló, Pandora and Schneider Electric. Pandora raised its growth targets in October, leading to a rise in its share price. In November, it reported a smaller-than-expected fall in third-quarter profit and raised its full-year sales outlook, giving its share price yet another boost. Schneider Electric's share price also rose in November following the announcement of its medium- and long-term outlook.

Investment activities

We added two companies to the fund during the six-month period under review.

We opened a position in Danish energy company, Ørsted, taking advantage of its recent share price weakness. We think that potential developments such as favourable policy measures and the easing of supply issues could benefit the company.

In February, we opened a position in Siemens. Excitement about the transition Siemens' business has

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been through over the years is growing; the stock therefore seems a good choice from a relative value perspective. We also believe that Siemens offers a significant margin of safety (the difference between the current share price and what we believe to be the intrinsic value of the company).

ESG Engagements

We engaged with a number of companies during the course of the period. We met Danish pharmaceutical company Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI).

We met German industrial gases company Linde to encourage it to publish a full Scope 3 greenhouse gas (GHG) emissions inventory, particularly in relation to use of its products. We also urged the company to publish Scope 3 GHG emission reduction targets. We further discussed calculation of its Scope 4 emissions and suggested that it disclose how its CapEx aligns with its carbon reduction strategy. The company has now published a Scope 3 GHG emissions inventory, with targets to follow. On the governance side, we recommended that Linde increase female representation at board level.

We engaged with Nestlé to assess its progress against its climate milestones and targets and to discuss its approach to dealing with deforestation in its supply chain. We also discussed nutrition in light of the company's target to increase the proportion of sales coming from its healthier products.

We met Dutch financial institution, ING Groep, to discuss its climate targets and strategy. We encouraged ING to set a net-zero commitment. In order to better allow us to measure and track the company's progress in the climate space, we asked it to provide the following: clear data disclosure in a single place, including financed emissions; additional Scope 3 category reporting (the company currently only provides information for category 15 and business travel); and

publication of milestones in its climate strategy. We also asked the business to resume CDP disclosure (formerly the Carbon Disclosure Project).

Outlook

Macroeconomic uncertainty persists, and we are likely to see notable volatility in 2024. Making firm directional predictions still seems futile. Running a focused but balanced portfolio without significant biases seems the best solution. We will constantly rebalance the portfolio in order to take advantage of long-term valuation opportunities, continuing to invest in companies with a competitive advantage. In our view, such companies tend to manage external shocks and volatility better.

While other investment styles can be effective, our high-quality companies are at least likely to perform well on a fundamental basis and build real value. Volatility also tends to throw up more mispriced opportunities: we hope this will give us a chance to further enhance future performance.

John William Olsen

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 €'000	as at 29.02.24 %	as at 31.08.23 %
Equities	1,018,155	97.91	98.70
Chemicals	55,202	5.31	6.92
516,184 Akzo Nobel	34,667	3.33	
49,344 Linde	20,535	1.98	
Electrical equipment	114,364	11.00	11.57
462,473 Legrand	43,084	4.14	
252,140 Schneider Electric	52,609	5.06	
725,926 Vestas Wind Systems	18,671	1.80	
Industrial conglomerates	32,251	3.10	0.00
176,735 Siemens	32,251	3.10	
Machinery	66,280	6.37	6.85
563,791 Andritz	31,826	3.06	
3,497,136 Metso Outotec	34,454	3.31	
Commercial services & supplies	31,920	3.07	3.40
1,376,491 ISS	23,009	2.21	
134,813 Société BIC	8,911	0.86	
Air freight & logistics	32,093	3.09	4.29
216,489 DSV	32,093	3.09	
Marine	31,226	3.00	4.05
100,836 Kuehne + Nagel International	31,226	3.00	
Textiles, apparel & luxury goods	32,398	3.12	2.12
213,241 Pandora	32,398	3.12	
Speciality retail	21,061	2.02	2.09
1,433,875 WH Smith	21,061	2.02	
Food products	36,642	3.52	4.42
382,084 Nestlé	36,642	3.52	
Personal products	20,971	2.02	2.29
462,594 Unilever	20,971	2.02	
Health care providers & services	17,922	1.72	2.35
502,435 Fresenius Medical Care	17,922	1.72	
Biotechnology	17,836	1.71	2.14
2,359,331 Grifols Preference Shares	17,836	1.71	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 €'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Pharmaceuticals			
1,812,548 ALK-Abelló	31,417	3.02	
701,762 Novo Nordisk	78,140	7.52	
Banks			
10,933,049 AIB	47,471	4.57	
516,804 Bank of Georgia	28,180	2.71	
1,331,135 FincoBank	17,105	1.64	
1,810,007 ING	22,944	2.21	
Insurance			
204,178 Hannover Rueck	48,758	4.69	
IT services			
543,687 Amadeus IT	29,859	2.87	
Software			
309,088 SAP	53,392	5.13	
Entertainment			
573,754 CTS Eventim	42,228	4.06	
1,246,274 Universal Music	35,868	3.45	
Interactive media & services			
725,334 Scout24	49,352	4.75	
Electric utilities			
445,547 Ørsted	23,275	2.24	
Total portfolio	1,018,155	97.91	98.70
Net other assets/(liabilities)	21,692	2.09	1.30
Net assets attributable to shareholders	1,039,847	100.00	100.00

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

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	€'000
Novo Nordisk	33,080
Siemens	31,204
Schneider Electric	30,374
Scout24	30,285
AIB	26,490
Hannover Rueck	25,350
SAP	25,103
Nestlé	24,799
Legrand	23,722
DSV	23,554
Other purchases	315,230
Total purchases	589,191

Largest sales	€'000
Schneider Electric	16,099
Linde	11,202
Kuehne + Nagel International	11,126
Novo Nordisk	10,844
SAP	6,273
Scout24	5,213
Universal Music	3,330
DSV	3,000
AIB	1,062
Hannover Rueck	1,027
Other sales	11,404
Total sales	80,580

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+9.0	+11.1	+9.8	+8.2
Class 'A' Accumulation	+9.0	+11.1	+9.8	+8.2
Class 'I' Income	+9.2	+11.5	+10.3	+8.8
Class 'I' Accumulation	+9.2	+11.5	+10.3	+8.8
Class 'PP' Income	+9.3	n/a	n/a	n/a
Class 'PP' Accumulation	+9.3	n/a	n/a	n/a
Class 'R' Income	+9.1	+11.2	+10.0	+8.5
Class 'R' Accumulation	+9.1	+11.3	+10.0	+8.6
Benchmark	+9.6	+9.7	+8.7	+7.4

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 29 September 1989.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	273.62	226.16	270.13
Return before operating charges	26.90	55.37	(36.50)
Operating charges	(1.31)	(2.41)	(2.34)
Return after operating charges	25.59	52.96	(38.84)
Distributions	(1.11)	(5.50)	(5.13)
Closing NAV	298.10	273.62	226.16
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.28	0.04	0.08
Dilution adjustments	(0.25)	(0.04)	(0.01)
Total direct transaction costs	0.03	0.00	0.07
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.95	0.95	0.95
Return after charges	+9.35	+23.42	-14.38
Other information			
Closing NAV (€'000)	158,882	150,291	136,893
Number of shares	45,647,449	47,096,644	52,001,854
Highest share price (UK p)	299.13	280.47	272.87
Lowest share price (UK p)	252.95	211.66	213.73

Sterling Class 'A' Accumulation share performance

The share class was launched on 29 September 1989.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	640.43	518.70	605.85
Return before operating charges	62.94	127.27	(81.90)
Operating charges	(3.06)	(5.54)	(5.25)
Return after operating charges	59.88	121.73	(87.15)
Distributions	0.00	(7.08)	(6.25)
Retained distributions	0.00	7.08	6.25
Closing NAV	700.31	640.43	518.70
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.66	0.09	0.18
Dilution adjustments	(0.58)	(0.09)	(0.02)
Total direct transaction costs	0.08	0.00	0.16
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.95	0.95	0.95
Return after charges	+9.35	+23.47	-14.38
Other information			
Closing NAV (€'000)	131,399	123,537	113,157
Number of shares	16,069,568	16,539,897	18,742,076
Highest share price (UK p)	700.14	644.80	611.99
Lowest share price (UK p)	592.05	485.62	481.39

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,224.10	1,830.93	2,178.15
Return before operating charges	218.95	449.16	(294.86)
Operating charges	(6.17)	(11.37)	(10.93)
Return after operating charges	212.78	437.79	(305.79)
Distributions	(9.01)	(44.62)	(41.43)
Closing NAV	2,427.87	2,224.10	1,830.93
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	2.30	0.32	0.65
Dilution adjustments	(2.03)	(0.32)	(0.07)
Total direct transaction costs	0.27	0.00	0.58
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.55	0.55	0.55
Return after charges	+9.57	+23.91	-14.04
Other information			
Closing NAV (€'000)	32,597	30,200	21,181
Number of shares	1,149,887	1,164,276	993,867
Highest share price (UK p)	2,436.22	2,279.15	2,201.88
Lowest share price (UK p)	2,057.35	1,714.16	1,726.94

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,900.51	2,339.81	2,721.99
Return before operating charges	285.45	575.17	(368.53)
Operating charges	(7.99)	(14.47)	(13.65)
Return after operating charges	277.46	560.70	(382.18)
Distributions	(3.75)	(42.55)	(38.21)
Retained distributions	3.75	42.55	38.21
Closing NAV	3,177.97	2,900.51	2,339.81
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	2.98	0.41	0.81
Dilution adjustments	(2.63)	(0.41)	(0.09)
Total direct transaction costs	0.35	0.00	0.72
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.55	0.55	0.55
Return after charges	+9.57	+23.96	-14.04
Other information			
Closing NAV (€'000)	69,066	79,801	55,047
Number of shares	1,861,305	2,359,075	2,021,174
Highest share price (UK p)	3,177.14	2,919.57	2,751.67
Lowest share price (UK p)	2,683.04	2,191.38	2,167.27

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 2 September 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Period to 31.08.22 UK p
Opening NAV	102.27	84.10	100.00
Return before operating charges	10.06	20.66	(13.60)
Operating charges	(0.23)	(0.44)	(0.41)
Return after operating charges	9.83	20.22	(14.01)
Distributions	(0.41)	(2.05)	(1.89)
Closing NAV	111.69	102.27	84.10
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.11	0.02	0.03
Dilution adjustments	(0.09)	(0.02)	0.00
Total direct transaction costs	0.02	0.00	0.03
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.45	0.45	0.45
Return after charges	+9.61	+24.04	-14.01
Other information			
Closing NAV (€'000)	2,136	1,389	363
Number of shares	1,637,882	1,164,882	370,882
Highest share price (UK p)	112.08	104.79	101.05
Lowest share price (UK p)	94.62	78.74	79.29

Sterling Class 'PP' Accumulation share performance

The share class was launched on 2 September 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Period to 31.08.22 UK p
Opening NAV	106.70	85.99	100.00
Return before operating charges	10.51	21.15	(13.60)
Operating charges	(0.24)	(0.44)	(0.41)
Return after operating charges	10.27	20.71	(14.01)
Distributions	(0.19)	(1.66)	(1.49)
Retained distributions	0.19	1.66	1.49
Closing NAV	116.97	106.70	85.99
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.11	0.02	0.03
Dilution adjustments	(0.10)	(0.02)	0.00
Total direct transaction costs	0.01	0.00	0.03
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.45	0.45	0.45
Return after charges	+9.63	+24.08	-14.01
Other information			
Closing NAV (€'000)	613,170	1,059	529
Number of shares	448,948,408	851,236	529,126
Highest share price (UK p)	116.94	107.40	101.05
Lowest share price (UK p)	98.72	80.55	79.62

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	215.86	178.15	212.47
Return before operating charges	21.22	43.64	(28.73)
Operating charges	(0.87)	(1.60)	(1.55)
Return after operating charges	20.35	42.04	(30.28)
Distributions	(0.87)	(4.33)	(4.04)
Closing NAV	235.34	215.86	178.15
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.22	0.03	0.06
Dilution adjustments	(0.20)	(0.03)	(0.01)
Total direct transaction costs	0.02	0.00	0.05
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.80	0.80	0.80
Return after charges	+9.43	+23.60	-14.25
Other information			
Closing NAV (€'000)	5,133	4,741	3,932
Number of shares	1,867,907	1,883,172	1,896,149
Highest share price (UK p)	236.16	221.24	214.68
Lowest share price (UK p)	199.60	166.75	168.23

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	281.90	227.97	265.87
Return before operating charges	27.72	55.99	(35.96)
Operating charges	(1.14)	(2.06)	(1.94)
Return after operating charges	26.58	53.93	(37.90)
Distributions	(0.01)	(3.50)	(3.12)
Retained distributions	0.01	3.50	3.12
Closing NAV	308.48	281.90	227.97
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.29	0.04	0.08
Dilution adjustments	(0.26)	(0.04)	(0.01)
Total direct transaction costs	0.03	0.00	0.07
Performance and charges	%	%	%
Direct portfolio transaction costs	0.02	0.00	0.03
Operating charges	0.80	0.80	0.80
Return after charges	+9.43	+23.66	-14.26
Other information			
Closing NAV (€'000)	27,464	25,407	20,137
Number of shares	7,624,914	7,728,268	7,588,674
Highest share price (UK p)	308.40	283.79	268.64
Lowest share price (UK p)	260.66	213.46	211.41

Financial statements and notes

Financial statements

Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	€'000	€'000	€'000	€'000
Income				
Net capital gains/(losses)		98,528		60,492
Revenue	3,132		840	
Expenses	(2,824)		(1,559)	
Interest payable and similar charges	0		(4)	
Net revenue/(expense) before taxation	308		(723)	
Taxation	685		(3)	
Net revenue/(expense) after taxation		993		(726)
Total return before distributions		99,521		59,766
Distributions		(1,891)		(372)
Change in net assets attributable to shareholders from investment activities		97,630		59,394

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	€'000	€'000	€'000	€'000
Opening net assets attributable to shareholders		416,425		351,239
Amounts received on issue of shares	566,458		17,432	
Amounts paid on cancellation of shares	(42,989)		(37,357)	
		523,469		(19,925)
Dilution adjustments		1,222		55
Change in net assets attributable to shareholders from investment activities (see above)		97,630		59,394
Retained distributions on Accumulation shares		1,085		0
Unclaimed distributions		16		11
Closing net assets attributable to shareholders		1,039,847		390,774

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	29 February 2024 €'000	31 August 2023 €'000
Assets		
Fixed assets		
Investments	1,018,155	411,007
Current assets		
Debtors	14,404	15,573
Cash and bank balances	12,915	85
Cash equivalents	19,940	8,937
Total assets	1,065,414	435,602
Liabilities		
Creditors		
Bank overdrafts	(12,366)	(8,445)
Distribution payable	(738)	(3,372)
Other creditors	(12,463)	(7,360)
Total liabilities	(25,567)	(19,177)
Net assets attributable to shareholders	1,039,847	416,425

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

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For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund has two aims:

- To provide a higher total return (capital growth plus income), net of the ongoing charge figure, than that of the MSCI World Index over any five-year period; and
- To invest in companies that contribute towards the Paris Agreement climate change goal.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity-related securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The fund has a concentrated portfolio and usually holds fewer than 40 companies.

The fund invests in securities that meet the ESG Criteria and Sustainability Criteria.

The following types of exclusions apply to the fund's direct investments:

- Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption.
- Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the fund's sector-based and/or values-based criteria.
- Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Sustainability Criteria.

References to 'assessed' above mean assessment in accordance with the ESG Criteria and Sustainability

Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the fund can be found in this document.

The fund may also invest in other transferable securities, money market instruments, cash and near cash for liquidity purposes, directly and via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

As explained in the ESG Criteria and Sustainability Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. The fund manager will assess the suitability of such instruments relative to the fund's investment objective.

Investment approach

The fund is a focused core global equity fund, investing over the long term in sustainable companies which contribute to the long-term global warming objectives of the Paris Agreement, by either having a Low Carbon Intensity and/or a Reducing Carbon Intensity. Low Carbon Intensity means a carbon intensity lower than 50% of the weighted average carbon intensity of the fund's benchmark, the MSCI World Index. Reducing Carbon Intensity companies means companies that have Science Based Targets aligned with the Paris Agreement or have committed to have them in place within a defined time period. The fund manager considers that active engagement with these companies is key to sustain positive change.

In addition, these companies need to demonstrate business models competitively positioned to protect their profitability as well as an ongoing commitment to decarbonisation.

Importantly, the fund invests in businesses where short-term issues have provided a clear valuation opportunity. The fund employs a bottom-up stock picking approach, driven by the fundamental analysis of

Authorised Corporate Director's Report

individual companies. The fund manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Sustainability considerations encompassing ESG factors are fully integrated into the investment process including through ongoing engagement with investee companies. In particular, climate considerations, including investing in Low and/or Reducing Carbon Intensity companies and non-mandatory factors such as whether companies are providing direct solutions to the climate challenge via their products and services, play an important role in determining the investment universe, stock selection, and portfolio construction, alongside other sustainability considerations. The fund will typically have a weighted average carbon intensity of less than half that of the MSCI World Index.

ESG Information

Additional information is available to investors on the fund page of the M&G website:

- ESG Criteria and Sustainability Criteria: in the document titled 'M&G Global Sustain Paris Aligned Fund – ESG Criteria and Sustainability Criteria' which includes the fund's exclusions approach.
- An Annual ESG and Sustainability Report providing an assessment of the sustainable objective of the fund will also be published when available.
- Any other periodic reporting against the sustainable objective of the fund.

Benchmark

Benchmark: MSCI World Index.

The benchmark is the target for the fund's financial objective and is used to measure the fund's financial performance. The index has been chosen as the fund's benchmark as it best reflects the financial aspects of the fund's investment policy.

The benchmark is also used to define what a Low Carbon Intensity company is. The fund manager considers the fund's weighted average carbon intensity against the benchmark when constructing the portfolio, but the benchmark does not otherwise constrain portfolio construction.

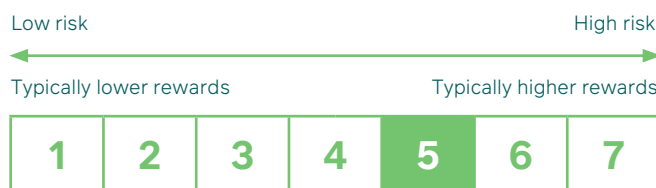
The fund is actively managed and within given constraints, the fund manager has freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents, and as a result the fund's performance may deviate materially from the benchmark.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

Authorised Corporate Director's Report

Investment review

For the six months ended 29 February 2024

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the M&G Global Sustain Paris Aligned Fund delivered a positive total return (the combination of income and growth of capital) across all of its sterling share classes, but underperformed its benchmark, the MSCI World Index, which returned 12.9% over the same period.

Over five years, the fund generated a positive annualised total return across all its share classes. The fund's 'I' share classes outperformed the fund's benchmark, the MSCI World Index, which recorded a return of 13.4% pa. However, the fund's 'A' and 'R' share classes underperformed the benchmark. The fund therefore did not meet its financial objective which is to provide a higher total return (capital growth plus income), net of the ongoing charge figure, than that of the MSCI World Index over any five-year period.

With regards to the fund's non-financial objective to invest in companies that contribute towards the Paris Agreement climate change goal (ie companies that have a low and/or reducing carbon intensity), data at the end of the period showed the fund's weighted average carbon intensity (WACI) was more than 50% lower than the WACI of the fund's benchmark.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

At the start of the six-month period under review, global equities found themselves on shaky ground, amid concerns about the economic outlook and soaring bond yields (after a bond sell-off). Investors were forced to contend with the prospect that interest rates might remain higher for longer – a result of the Fed's revised interest rate 'dot plot' (a summary of US central bankers' interest rate views) and continued strong inflation.

However, from November onwards, equity markets began to thrive: signs of easing inflation and hopes that interest rates had peaked boosted investor morale. The rally in global shares continued into the first two months of 2024, fuelled by continuing economic growth and hopes of impending interest rate cuts.

Stock selection proved detrimental to the fund's relative performance over the period, particularly in technology, communication services and consumer discretionary. The fund's below-benchmark position in technology also detracted. In contrast, stock selection in financials and materials had a positive impact on relative performance, as did the absence of any exposure to energy stocks.

Key detractors from relative performance included SolarEdge Technologies and WH Smith. SolarEdge's share price declined in October after it cut its third-quarter revenue guidance. In its September trading update, WH Smith reported an increase in annual revenue but fell short of its profit forecast. This contributed to its poor share price performance over the period. Not holding Nvidia and Facebook parent, Meta Platforms also were detractors from relative performance.

The top contributors to relative performance were Schneider Electric and American Express. The former's share price rose in November following the announcement of its medium- and long-term outlook. American Express issued promising 2024 guidance in January, boosting its share price.

Investment activities

In December, we added Danish energy company, Ørsted, to the fund, taking advantage of its recent share price weakness. We believe that potential developments such as favourable policy measures and the easing of supply issues could benefit the company.

ESG Engagements

We engaged with a number of companies during the course of the period. We met Danish pharmaceutical company Novo Nordisk to establish whether it had appropriate processes and checks in place to prevent misuse of its weight-loss medication, Wegovy. We also

Authorised Corporate Director's Report

sought further information on its temporary suspension from the Association of the British Pharmaceutical Industry (ABPI).

We met German industrial gases company Linde to encourage it to publish a full Scope 3 greenhouse gas (GHG) emissions inventory, particularly in relation to use of its products. We also urged the company to publish Scope 3 GHG emission reduction targets. We further discussed calculation of its Scope 4 emissions and suggested that it disclose how its CapEx aligns with its carbon reduction strategy. The company has now published a Scope 3 GHG emissions inventory, with targets to follow. On the governance side, we recommended that Linde increase female representation at board level.

We also met Dutch financial institution, ING Groep, to discuss its climate targets and strategy. We encouraged ING to set a net-zero commitment. In order to better allow us to measure and track the company's progress in the climate space, we asked it to provide the following: clear data disclosure in a single place, including financed emissions; additional Scope 3 category reporting (the company currently only provides information for category 15 and business travel); and publication of milestones in its climate strategy. We also asked the business to resume CDP disclosure (formerly the Carbon Disclosure Project).

Outlook

Macroeconomic uncertainty persists, and we are likely to see notable volatility in 2024. Making firm directional predictions still seems futile. Running a focused but balanced portfolio without significant biases seems the best solution. We will constantly rebalance the portfolio in order to take advantage of long-term valuation opportunities, continuing to invest in companies with a competitive advantage. In our view, such companies tend to manage external shocks and volatility better.

While other investment styles can be effective, our high-quality companies are (at least) likely to perform well on a fundamental basis and build real value. Volatility also tends to throw up more mispriced

opportunities: we hope this will give us a chance to further enhance future performance.

John William Olsen

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities	837,083	95.70	97.59
Chemicals	21,441	2.45	3.24
47,554 Linde	21,441	2.45	
Containers & packaging	18,722	2.14	1.72
299,154 Ball	18,722	2.14	
Building products	22,732	2.60	2.86
382,840 Johnson Controls International	22,732	2.60	
Electrical equipment	41,037	4.69	4.39
181,531 Schneider Electric	41,037	4.69	
Industrial conglomerates	4,503	0.52	0.00
22,777 Siemens	4,503	0.52	
Machinery	35,702	4.08	4.28
204,915 Graco	18,407	2.10	
759,323 Weir	17,295	1.98	
Commercial services & supplies	10,339	1.18	1.29
570,870 ISS	10,339	1.18	
Marine	23,728	2.71	3.07
70,721 Kuehne + Nagel International	23,728	2.71	
Speciality retail	46,217	5.28	6.21
413,621 eBay	19,761	2.26	
1,662,393 WH Smith	26,456	3.02	
Food products	16,622	1.90	2.44
159,977 Nestlé	16,622	1.90	
Household products	9,779	1.12	1.41
154,783 Reckitt Benckiser	9,779	1.12	
Personal products	27,202	3.11	3.60
553,829 Unilever	27,202	3.11	
Health care equipment & supplies	25,245	2.89	3.67
105,687 Becton Dickinson	25,245	2.89	
Health care providers & services	45,463	5.20	5.67
91,609 UnitedHealth	45,463	5.20	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Pharmaceuticals	61,523	7.03	6.89
413,947 ALK-Abelló	7,774	0.89	
445,527 Novo Nordisk	53,749	6.14	
Banks	36,008	4.12	3.59
1,361,533 HDFC Bank	23,114	2.64	
938,811 ING	12,894	1.48	
Consumer finance	57,470	6.57	5.07
146,779 American Express	31,948	3.65	
207,057 Discover Financial Services	25,522	2.92	
Capital markets	36,019	4.12	3.70
254,675 Bank of New York Mellon	14,141	1.62	
73,372 Morningstar	21,878	2.50	
Insurance	32,067	3.67	3.06
1,098,900 Tokio Marine	32,067	3.67	
IT services	34,614	3.96	3.79
121,266 Visa	34,614	3.96	
Software	156,478	17.89	19.23
51,130 Adobe	28,157	3.22	
79,408 ANSYS	26,320	3.01	
133,607 Manhattan Associates	33,845	3.87	
168,790 Microsoft	68,156	7.79	
Electronic equipment, instruments & components	6,401	0.73	1.60
98,671 SolarEdge Technologies	6,401	0.73	
Interactive media & services	52,345	5.98	6.81
303,847 Alphabet	41,363	4.73	
311,000 Tencent	10,982	1.25	
Electric utilities	15,426	1.76	0.00
272,554 Ørsted	15,426	1.76	
Total portfolio	837,083	95.70	97.59
Net other assets/(liabilities)	37,570	4.30	2.41
Net assets attributable to shareholders	874,653	100.00	100.00

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

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	\$'000
Ørsted	15,395
HDFC Bank	11,227
ANSYS	7,274
Ball	5,323
Siemens	4,478
Microsoft	3,951
American Express	3,249
SolarEdge Technologies	3,050
UnitedHealth	2,756
Alphabet	2,443
Other purchases	29,603
Total purchases	88,749

Largest sales	\$'000
Manhattan Associates	14,779
Novo Nordisk	7,982
Linde	7,957
Adobe	7,421
Microsoft	7,402
Schneider Electric	5,927
Kuehne + Nagel International	2,724
Ball	2,651
Morningstar	2,435
ALK-Abelló	2,164
Other sales	19,723
Total sales	81,165

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+8.6	+11.6	+12.8	+11.2
Class 'A' Accumulation	+8.6	+11.6	+12.8	+11.2
Class 'I' Income	+8.9	+12.0	+13.4	+11.9
Class 'I' Accumulation	+8.9	+12.0	+13.4	+11.9
Class 'PP' Income	+9.0	n/a	n/a	n/a
Class 'PP' Accumulation	+9.0	n/a	n/a	n/a
Class 'R' Income	+8.7	+11.7	+13.1	+11.6
Class 'R' Accumulation	+8.7	+11.7	+13.1	+11.6
Benchmark^b	+12.9	+12.9	+13.4	+12.6

^a Not annualised.

^b Prior to 31 December 2015, the benchmark was the MSCI ACWI Index. Thereafter it is the MSCI World Index.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 19 December 1967.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	619.15	580.61	588.39
Return before operating charges	57.15	55.99	8.21
Operating charges	(3.77)	(7.73)	(7.58)
Return after operating charges	53.38	48.26	0.63
Distributions	n/a	(9.72)	(8.41)
Closing NAV	672.53	619.15	580.61
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.07	0.08	0.17
Dilution adjustments	(0.07)	(0.08)	(0.10)
Total direct transaction costs	0.00	0.00	0.07
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	1.20	1.30	1.30
Return after charges	+8.62	+8.31	+0.11
Other information			
Closing NAV (\$'000)	282,246	302,554	271,086
Number of shares	33,175,142	38,538,165	40,194,436
Highest share price (UK p)	678.73	633.28	620.80
Lowest share price (UK p)	597.31	548.24	534.43

Sterling Class 'A' Accumulation share performance

The share class was launched on 19 December 1967.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	1,334.74	1,232.03	1,230.67
Return before operating charges	123.20	119.12	17.26
Operating charges	(8.13)	(16.41)	(15.90)
Return after operating charges	115.07	102.71	1.36
Distributions	n/a	(4.87)	0.00
Retained distributions	n/a	4.87	0.00
Closing NAV	1,449.81	1,334.74	1,232.03
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.16	0.18	0.36
Dilution adjustments	(0.16)	(0.18)	(0.21)
Total direct transaction costs	0.00	0.00	0.15
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	1.20	1.30	1.30
Return after charges	+8.62	+8.34	+0.11
Other information			
Closing NAV (\$'000)	170,956	153,612	133,918
Number of shares	9,321,079	9,076,347	9,357,553
Highest share price (UK p)	1,463.19	1,344.12	1,298.49
Lowest share price (UK p)	1,287.65	1,163.62	1,117.85

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,078.27	2,875.10	2,901.89
Return before operating charges	284.52	278.00	40.69
Operating charges	(12.47)	(26.61)	(25.90)
Return after operating charges	272.05	251.39	14.79
Distributions	n/a	(48.22)	(41.58)
Closing NAV	3,350.32	3,078.27	2,875.10
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.37	0.42	0.84
Dilution adjustments	(0.36)	(0.42)	(0.50)
Total direct transaction costs	0.01	0.00	0.34
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	0.79	0.90	0.90
Return after charges	+8.84	+8.74	+0.51
Other information			
Closing NAV (\$'000)	60,941	55,827	40,031
Number of shares	1,437,867	1,430,255	1,198,645
Highest share price (UK p)	3,380.75	3,146.97	3,064.26
Lowest share price (UK p)	2,971.50	2,715.77	2,644.19

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,591.34	3,301.78	3,284.95
Return before operating charges	331.91	319.87	46.03
Operating charges	(14.51)	(30.31)	(29.20)
Return after operating charges	317.40	289.56	16.83
Distributions	n/a	(26.10)	(14.28)
Retained distributions	n/a	26.10	14.28
Closing NAV	3,908.74	3,591.34	3,301.78
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.43	0.48	0.94
Dilution adjustments	(0.42)	(0.48)	(0.56)
Total direct transaction costs	0.01	0.00	0.38
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	0.79	0.90	0.90
Return after charges	+8.84	+8.77	+0.51
Other information			
Closing NAV (\$'000)	317,417	242,313	297,119
Number of shares	6,419,265	5,321,094	7,746,859
Highest share price (UK p)	3,944.22	3,614.87	3,468.86
Lowest share price (UK p)	3,466.75	3,119.55	2,993.31

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 2 September 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Period to 31.08.22 UK p
Opening NAV	107.06	99.70	100.00
Return before operating charges	9.91	9.65	1.71
Operating charges	(0.34)	(0.62)	(0.60)
Return after operating charges	9.57	9.03	1.11
Distributions	n/a	(1.67)	(1.41)
Closing NAV	116.63	107.06	99.70
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.01	0.03
Dilution adjustments	(0.01)	(0.01)	(0.02)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	0.60	0.60	0.60
Return after charges	+8.94	+9.06	+1.11
Other information			
Closing NAV (\$'000)	3,434	76	70
Number of shares	2,327,640	56,086	60,020
Highest share price (UK p)	117.69	109.41	105.97
Lowest share price (UK p)	103.39	94.20	91.60

Sterling Class 'PP' Accumulation share performance

The share class was launched on 2 September 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Period to 31.08.22 UK p
Opening NAV	110.30	101.10	100.00
Return before operating charges	10.21	9.85	1.67
Operating charges	(0.35)	(0.65)	(0.57)
Return after operating charges	9.86	9.20	1.10
Distributions	n/a	(1.10)	(0.74)
Retained distributions	n/a	1.10	0.74
Closing NAV	120.16	110.30	101.10
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	(0.01)	(0.02)	(0.02)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	0.60	0.60	0.60
Return after charges	+8.94	+9.10	+1.10
Other information			
Closing NAV (\$'000)	12,921	1,258	116
Number of shares	8,499,916	899,486	98,787
Highest share price (UK p)	121.25	110.98	105.97
Lowest share price (UK p)	106.52	95.55	91.60

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	302.44	283.20	286.56
Return before operating charges	27.93	27.32	4.02
Operating charges	(1.61)	(3.34)	(3.28)
Return after operating charges	26.32	23.98	0.74
Distributions	n/a	(4.74)	(4.10)
Closing NAV	328.76	302.44	283.20
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.04	0.04	0.08
Dilution adjustments	(0.04)	(0.04)	(0.05)
Total direct transaction costs	0.00	0.00	0.03
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	1.04	1.15	1.15
Return after charges	+8.70	+8.47	+0.26
Other information			
Closing NAV (\$'000)	4,640	4,263	3,564
Number of shares	1,115,713	1,111,682	1,083,301
Highest share price (UK p)	331.78	309.29	302.43
Lowest share price (UK p)	291.84	267.44	260.59

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	349.27	321.91	321.07
Return before operating charges	32.25	31.15	4.50
Operating charges	(1.86)	(3.79)	(3.66)
Return after operating charges	30.39	27.36	0.84
Distributions	n/a	(1.75)	(0.50)
Retained distributions	n/a	1.75	0.50
Closing NAV	379.66	349.27	321.91
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.04	0.05	0.09
Dilution adjustments	(0.04)	(0.05)	(0.06)
Total direct transaction costs	0.00	0.00	0.03
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.03
Operating charges	1.04	1.15	1.15
Return after charges	+8.70	+8.50	+0.26
Other information			
Closing NAV (\$'000)	22,098	21,602	19,425
Number of shares	4,600,836	4,877,719	5,194,945
Highest share price (UK p)	383.14	351.66	338.87
Lowest share price (UK p)	337.02	304.07	291.98

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Financial statements

Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		66,880		49,726
Revenue	4,892		4,634	
Expenses	(4,056)		(4,119)	
Interest payable and similar charges	(1)		0	
Net revenue/(expense) before taxation	835		515	
Taxation	(587)		(448)	
Net revenue/(expense) after taxation		248		67
Total return before equalisation		67,128		49,793
Equalisation		(33)		(38)
Change in net assets attributable to shareholders from investment activities		67,095		49,755

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		781,505		765,329
Amounts received on issue of shares	86,992		31,671	
Amounts paid on cancellation of shares	(61,090)		(92,480)	
		25,902		(60,809)
Dilution adjustments		119		103
Change in net assets attributable to shareholders from investment activities (see above)		67,095		49,755
Unclaimed distributions		32		7
Closing net assets attributable to shareholders		874,653		754,385

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	29 February 2024 \$'000	31 August 2023 \$'000
Assets		
Fixed assets		
Investments	837,083	762,661
Current assets		
Debtors	17,589	5,920
Cash and bank balances	1,910	3,801
Cash equivalents	31,848	20,649
Total assets	888,430	793,031
Liabilities		
Creditors		
Bank overdrafts	0	(872)
Distribution payable	0	(5,692)
Other creditors	(13,117)	(4,544)
Deferred tax provision	(660)	(418)
Total liabilities	(13,777)	(11,526)
Net assets attributable to shareholders	874,653	781,505

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

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For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the MSCI ACWI 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.

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 the 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.

Benchmark

Benchmark: MSCI ACWI Index.

The benchmark is a target which the fund seeks to outperform. 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.

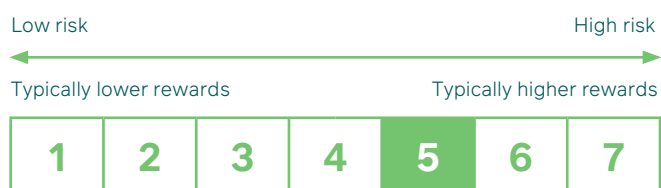
The fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

Authorised Corporate Director's Report

Investment review

For the six months ended 29 February 2024

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the fund delivered a positive total return (the combination of income and growth of capital) across all its share classes. These however, underperformed the benchmark, the MSCI ACWI Index, which returned 12.1% in sterling.

Over five years, the fund generated a positive total return across all its share classes, but lagged the benchmark which returned 12.2% pa in sterling. Consequently, the fund did not meet the objective of providing a higher total return than that of the MSCI ACWI Index over any five-year period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

Global equities delivered positive, but divergent returns over the review period. Volatility remained elevated as investors fretted over the impact of high interest rates before signs of moderating inflation led to a strong rebound at the end of 2023. The US Federal Reserve (Fed) signalled that interest rate cuts would come sooner than originally predicted at its December meeting which fuelled the market rally. Early in the new year, however, investors scaled back hopes of imminent rate cuts as various data releases continued to suggest economic resilience in the US. Nevertheless, global equities finished the review period on a strong footing supported by strong US corporate earnings results and signs of recovery in the Chinese stock markets.

Regional performance varied considerably, with US and Japanese equities posting double-digit returns, buoyed by the strong technology sector and a weaker yen in the case of the Japanese market. Despite the weakness in the eurozone economy, European markets also performed well – particularly towards the end of the review period on hopes that global interest rates had peaked. By contrast, UK equities were dragged down by

'sticky' inflation and lack of exposure to technology companies, while many of the Asian markets were held back by concerns over the health of the Chinese economy. Within emerging markets, Latin America and Eastern European markets were generally strong on increasing expectations of US interest rate cuts and domestic political developments with regards to Eastern Europe.

From a sector perspective, the standout performer was technology which benefited from advances in artificial intelligence (AI) with Microsoft, NVIDIA and Meta Platforms decoupling from the rest of the former 'Magnificent 7'. Financials and communications services were also strong. Conversely, the more defensive consumer staples sector lagged on investors' renewed appetite for investment risk. Energy was also weak as oil and gas prices fell sharply in late 2023.

Fund review

Against this backdrop, the fund generated a positive return, but lagged its benchmark. Stock selection detracted from relative performance, most notably in the communication services, healthcare and utilities sectors. The below-benchmark position in technology and above-benchmark exposure to utilities also held back relative returns, although this was partially offset by an underweight to consumer staples. Stockpicking in real estate and industrials also added value.

At the individual stock level, top contributors within the fund in absolute terms included Microsoft, a key beneficiary of the AI boom, and we believe it continues to look attractively valued despite its recent strong run. Positions in QUALCOMM and Intel, which benefited from strong demand for semiconductors and positive US government support coming via the CHIPS and IRA acts, also added value. Other positive contributors include Brookfield, a private infrastructure asset manager, and Manulife Financial, a life insurance provider. Both have structural drivers supporting their growth profiles so we remain committed holders.

Toyota Motor was also a strong contributor to fund performance. The Japanese auto company is flourishing and delivered record profits in Q3 2023. It is

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also leading by example in Japan's corporate governance reforms as it continues to reduce cross shareholdings. The company is delivering a high level of profitability compared to global peers and remains highly relevant as the industry shifts to different forms of powertrain.

Siemens was the best performing European company and we believe the industry business remains well positioned to benefit from the evolution of automation and the digitisation of industrial processes.

On the other hand, our holding in Franco-Nevada, a Canadian gold-focused royalty and streaming company was dragged down by its partner, First Quantum, being forced to halt production at its largest mine in Panama. Price wars in the electric vehicle sector hurt the position in China's BYD, however, BYD has risen to become the largest EV manufacturer by volume. We believe it is in a strong position as its new model launches, with market leading features, continue to dominate domestically and are increasingly exported to the higher margin international markets. Another of the detractors was Acciona Energias Renovables, the Spanish electricity producer. We remain committed to this holding as they delivered solid end-of-year 2023 results against a backdrop of lower energy prices. The company is optimistic about the volume of value-creating opportunities in the global renewable sector and has held the dividend payment flat.

Investment activities

Over the review period, we initiated several new holdings which were complementary to the portfolio's various sub-themes and trading at what we felt were attractive valuations. In the energy sector, we initiated positions in APA, New Fortress Energy and Enbridge. We divested from PepsiCo, Walt Disney, Starpharma and ONEOK – a US energy infrastructure company. We also recycled proceeds from Italian utilities group Enel to initiate a position in Ecolab, which specialises in water treatment and hygiene across a variety of industries, and fits the fund's 'Circular Economy' theme. Meanwhile, share price weakness enabled us to add to Canadian alternative investment manager Brookfield and Japanese manufacturer Shimano as well as top up

our two largest overweights, Canadian royalty stocks Franco-Nevada and PrairieSky Royalty. We increased exposure to Israeli autonomous driving company Mobileye in anticipation of the medium-term product pipeline and margin rebuild. More recently, we took profits from L'Oréal and invested in Oracle which fits the fund's new 'Data & Productivity' sub-theme on the back of its cloud-focused businesses.

Outlook

The market remains caught in a competitive tension between the path of growth and interest rates, which inevitably produces volatility, and opportunities to add value to the portfolio. The fund's alignment to multi-decade thematic trends with structural growth drivers should be resilient over time to cyclical and macro variance.

We are undeterred in our belief that the fund's chosen themes – from the road to zero carbon to cloud and connectivity – will persist for many years to come and that the beneficiaries of these powerful trends can generate profitable growth for a variety of stakeholders, including employees, customers, shareholders and broader society.

The record narrowing of breadth of markets has proved a significant challenge in recent months. These episodes have been seen in markets before and historically have corrected as growth rates moderate and valuations adjust. The fund's strict valuation approach prevents the temptation of being pulled into overpaying for the current market darlings.

The ability to generate cashflow is absolutely critical in our company analysis. We are not investing in hope alone. History is littered with examples of blue-sky concepts which never turned a profit, and companies of this ilk which commanded exorbitant multiples in the past are now seeing their unrealistic expectations reined in. Fundamentals and value are the key determinants of long-term return, in our view.

Valuation is a crucial aspect of our stock selection process and we believe that the opportunities presented by the current market downturn will sow the seeds for future performance. Being selective will be

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paramount. We remain as optimistic as ever about the long-term prospects of the companies we are invested in and remain committed to our investment mantra: themes grounded in reality.

Alex Araujo

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Compliance of the fund with the Sustainable Finance Disclosure Regulation ('SFDR') and the EU Taxonomy Regulation

The fund is categorised as an Article 6 fund under SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Portfolio statement

Investments

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities	2,864,655	98.90	99.13
United Kingdom	88,963	3.07	3.60
225,560 AstraZeneca	28,986	1.00	
5,550,335 Segro REIT	59,977	2.07	
Austria	40,957	1.41	2.02
1,015,100 Erste Group Bank	40,957	1.41	
Denmark	29,703	1.03	1.41
524,796 Ørsted	29,703	1.03	
Finland	26,644	0.92	1.26
7,521,469 Nokia	26,644	0.92	
France	29,368	1.01	2.42
228,779 Vinci	29,368	1.01	
Germany	147,709	5.10	6.04
172,742 Hannover Rueck	44,693	1.54	
768,957 Infineon Technologies	27,493	0.95	
239,046 Siemens	47,261	1.63	
1,834,385 Siemens Energy	28,262	0.98	
Italy	0	0.00	1.00
Netherlands	34,121	1.18	1.02
140,253 NXP Semiconductors	34,121	1.18	
Spain	36,231	1.25	0.89
1,680,435 Acciona Energias Renovables	36,231	1.25	
Switzerland	86,195	2.98	2.99
231,828 Garmin	31,768	1.10	
206,349 Roche	54,427	1.88	
United States	1,274,548	44.00	43.65
485,092 Alexandria Real Estate Equities REIT	58,676	2.03	
799,405 Alphabet	108,824	3.76	
147,046 American Tower REIT	28,418	0.98	
232,395 American Water Works	27,323	0.94	
241,580 Becton Dickinson	57,706	1.99	
1,151,367 Bristol-Myers Squibb	58,508	2.02	
179,973 Cheniere Energy	27,533	0.95	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
United States (continued)			
1,283,098 Comcast	53,994	1.86	
669,359 Crown Castle International REIT	72,466	2.50	
1,151,389 CSX	43,343	1.50	
579,511 CVS Health	43,505	1.50	
136,492 Ecolab	30,680	1.06	
58,748 Elevance Health	29,517	1.02	
49,095 Equinix REIT	43,606	1.51	
1,862,465 Intel	77,975	2.69	
131,331 LabCorp	28,154	0.97	
54,706 Martin Marietta Materials	30,955	1.07	
289,512 Microsoft	116,903	4.04	
1,162,137 Mobileye Global	30,552	1.05	
93,374 Motorola Solutions	30,900	1.07	
1,299,658 New Fortress Energy	41,004	1.42	
765,205 NextEra Energy	41,982	1.45	
256,873 Oracle	28,515	0.98	
384,449 QUALCOMM	59,807	2.06	
153,820 Republic Services	28,595	0.99	
106,550 Visa	30,414	1.05	
1,309,543 Weyerhaeuser REIT	44,693	1.54	
Canada	500,325	17.27	15.53
2,089,426 Brookfield	85,134	2.94	
1,653,830 Enbridge	56,748	1.96	
793,527 Franco-Nevada	82,831	2.86	
127,598 Lululemon Athletica	59,108	2.04	
1,042,660 Magna International	56,985	1.97	
2,450,274 Manulife Financial	58,029	2.00	
5,712,680 PrairieSky Royalty	101,490	3.50	
Japan	164,959	5.70	4.92
433,000 Shimano	60,090	2.08	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Japan (continued)			
11,731,300 Toray Industries	53,964	1.86	
2,111,800 Toyota Motor	50,905	1.76	
Australia	83,815	2.89	1.05
10,791,636 APA	54,981	1.90	
326,423 Erinbar ^a	0	0.00	
3,279,376 Transurban	28,834	0.99	
China	78,570	2.71	2.55
3,182,000 BYD	78,570	2.71	
Hong Kong	116,046	4.01	4.39
4,830,168 AIA	39,139	1.35	
2,178,000 Tencent	76,907	2.66	
Singapore	27,251	0.94	1.03
1,099,978 DBS	27,251	0.94	
South Korea	42,160	1.46	1.40
765,895 Samsung Electronics	42,160	1.46	
Romania	57,090	1.97	1.96
2,098,226 Hidroelectrica	57,090	1.97	
Total portfolio	2,864,655	98.90	99.13
Net other assets/(liabilities)	31,872	1.10	0.87
Net assets attributable to shareholders	2,896,527	100.00	100.00

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

^a Unlisted/unquoted.

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	\$'000
Enbridge	67,142
APA	58,763
New Fortress Energy	41,127
Mobileye Global	34,206
Franco-Nevada	32,520
Oracle	28,801
BYD	28,366
Ecolab	27,733
Shimano	25,487
NextEra Energy	23,020
Other purchases	262,004
Total purchases	629,169

Largest sales	\$'000
L'Oréal	42,552
Intel	34,579
Segro REIT	33,642
Alphabet	32,623
Enel	30,524
Microsoft	28,509
ONEOK	28,224
Air Products & Chemicals	27,667
PepsiCo	26,612
Walt Disney	26,286
Other sales	432,703
Total sales	743,921

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Euro				
Class 'A' Income	+3.8	+6.5	+10.0	+8.0
Class 'A' Accumulation	+3.8	+6.5	+10.0	+8.0
Class 'C' Income	+4.3	+7.6	+11.1	n/a
Class 'C' Accumulation	+4.3	+7.6	+11.1	+9.1
Benchmark (EUR)^b	+12.2	+11.5	+12.2	+11.0
Sterling				
Class 'A' Income	+4.0	+6.6	+10.6	+8.8
Class 'A' Accumulation	+4.0	+6.6	+10.6	+8.8
Class 'I' Income	+4.2	+7.1	+11.1	+9.5
Class 'I' Accumulation	+4.2	+7.1	+11.1	+9.5
Class 'PP' Income	+4.3	+7.3	n/a	n/a
Class 'PP' Accumulation	+4.3	+7.3	n/a	n/a
Class 'R' Income	+4.1	+6.8	+10.8	+9.2
Class 'R' Accumulation	+4.1	+6.8	+10.8	+9.2
Benchmark (GBP)^b	+12.1	+10.9	+12.2	+11.5
US dollar				
Class 'A' Accumulation	+3.5	+2.7	+8.9	+5.4
Class 'C' Accumulation	+4.0	n/a	n/a	n/a
Benchmark (USD)^b	+11.9	+7.3	+11.0	+8.4

^a Not annualised.

^b Prior to 17 November 2017 the benchmark was the FTSE Global Basics Composite Index (comprising all subsectors of the FTSE World Index except media, IT, telecommunications, financials and healthcare). Thereafter it is the MSCI ACWI Index.

Financial highlights

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Euro Class 'A' Income share performance

The share class was launched on 12 July 2013.

Change in NAV per share	Six months to 29.02.24 Euro ¢	Year to 31.08.23 Euro ¢	Year to 31.08.22 Euro ¢
Opening NAV	4,329.67	4,473.69	4,442.19
Return before operating charges	209.06	27.06	211.22
Operating charges	(44.03)	(85.23)	(84.96)
Return after operating charges	165.03	(58.17)	126.26
Distributions	n/a	(85.85)	(94.76)
Closing NAV	4,494.70	4,329.67	4,473.69
Direct transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	1.03	2.69	1.61
Dilution adjustments	(0.10)	(0.21)	(0.23)
Total direct transaction costs	0.93	2.48	1.38
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	2.02	1.95	1.86
Return after charges	+3.81	-1.30	+2.84
Other information			
Closing NAV (\$'000)	5,767	5,464	5,526
Number of shares	118,429	116,074	123,773
Highest share price (Euro ¢)	4,519.46	4,565.15	4,791.79
Lowest share price (Euro ¢)	4,094.48	4,052.61	4,234.52

Euro Class 'A' Accumulation share performance

The share class was launched on 28 November 2001.

Change in NAV per share	Six months to 29.02.24 Euro ¢	Year to 31.08.23 Euro ¢	Year to 31.08.22 Euro ¢
Opening NAV	4,983.92	5,048.01	4,908.76
Return before operating charges	240.57	32.12	233.11
Operating charges	(50.65)	(96.21)	(93.86)
Return after operating charges	189.92	(64.09)	139.25
Distributions	n/a	(7.30)	(2.32)
Retained distributions	n/a	7.30	2.32
Closing NAV	5,173.84	4,983.92	5,048.01
Direct transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	1.18	3.03	1.78
Dilution adjustments	(0.12)	(0.23)	(0.25)
Total direct transaction costs	1.06	2.80	1.53
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	2.02	1.95	1.86
Return after charges	+3.81	-1.27	+2.84
Other information			
Closing NAV (\$'000)	1,870,177	1,858,604	1,771,256
Number of shares	33,362,703	34,299,357	35,160,310
Highest share price (Euro ¢)	5,202.34	5,152.82	5,294.80
Lowest share price (Euro ¢)	4,713.15	4,578.86	4,679.03

Financial highlights

Euro Class 'C' Income share performance

The share class was launched on 8 August 2014.

Change in NAV per share	Six months to 29.02.24 Euro ¢	Year to 31.08.23 Euro ¢	Year to 31.08.22 Euro ¢
Opening NAV	5,206.32	5,325.02	5,234.80
Return before operating charges	251.39	33.37	249.49
Operating charges	(26.94)	(49.67)	(46.50)
Return after operating charges	224.45	(16.30)	202.99
Distributions	n/a	(102.40)	(112.77)
Closing NAV	5,430.77	5,206.32	5,325.02
Direct transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	1.24	3.21	1.91
Dilution adjustments	(0.12)	(0.25)	(0.27)
Total direct transaction costs	1.12	2.96	1.64
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.02	0.95	0.86
Return after charges	+4.31	-0.31	+3.88
Other information			
Closing NAV (\$'000)	30	80	1,812
Number of shares	505	1,405	34,105
Highest share price (Euro ¢)	5,459.63	5,483.50	5,701.24
Lowest share price (Euro ¢)	4,930.91	4,830.55	5,030.64

Euro Class 'C' Accumulation share performance

The share class was launched on 28 November 2001.

Change in NAV per share	Six months to 29.02.24 Euro ¢	Year to 31.08.23 Euro ¢	Year to 31.08.22 Euro ¢
Opening NAV	6,149.73	6,169.33	5,939.35
Return before operating charges	297.66	37.02	282.74
Operating charges	(31.51)	(56.62)	(52.76)
Return after operating charges	266.15	(19.60)	229.98
Distributions	n/a	(72.88)	(70.13)
Retained distributions	n/a	72.88	70.13
Closing NAV	6,415.88	6,149.73	6,169.33
Direct transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	1.46	3.66	2.16
Dilution adjustments	(0.15)	(0.28)	(0.30)
Total direct transaction costs	1.31	3.38	1.86
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.02	0.95	0.86
Return after charges	+4.33	-0.32	+3.87
Other information			
Closing NAV (\$'000)	5,852	6,996	6,715
Number of shares	84,182	104,632	109,064
Highest share price (Euro ¢)	6,449.99	6,352.21	6,468.22
Lowest share price (Euro ¢)	5,825.34	5,603.83	5,707.42

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 28 February 1973.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	1,240.21	1,276.07	1,259.79
Return before operating charges	58.52	5.72	59.09
Operating charges	(8.93)	(17.12)	(16.03)
Return after operating charges	49.59	(11.40)	43.06
Distributions	n/a	(24.46)	(26.78)
Closing NAV	1,289.80	1,240.21	1,276.07
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.30	0.78	0.45
Dilution adjustments	(0.03)	(0.06)	(0.06)
Total direct transaction costs	0.27	0.72	0.39
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.42	1.35	1.26
Return after charges	+4.00	-0.89	+3.42
Other information			
Closing NAV (\$'000)	168,807	174,643	180,899
Number of shares	10,345,751	11,105,519	12,204,358
Highest share price (UK p)	1,314.26	1,342.42	1,340.14
Lowest share price (UK p)	1,196.19	1,177.88	1,188.13

Sterling Class 'A' Accumulation share performance

The share class was launched on 28 February 1973.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,158.08	2,176.96	2,105.14
Return before operating charges	101.82	10.31	98.65
Operating charges	(15.53)	(29.19)	(26.83)
Return after operating charges	86.29	(18.88)	71.82
Distributions	n/a	(15.53)	(14.75)
Retained distributions	n/a	15.53	14.75
Closing NAV	2,244.37	2,158.08	2,176.96
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.52	1.33	0.75
Dilution adjustments	(0.05)	(0.10)	(0.11)
Total direct transaction costs	0.47	1.23	0.64
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.42	1.35	1.26
Return after charges	+4.00	-0.87	+3.41
Other information			
Closing NAV (\$'000)	319,860	325,797	362,310
Number of shares	11,265,668	11,905,840	14,327,902
Highest share price (UK p)	2,286.94	2,290.80	2,239.29
Lowest share price (UK p)	2,081.48	2,012.09	1,985.28

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,143.64	2,197.00	2,160.97
Return before operating charges	101.31	9.75	101.70
Operating charges	(11.08)	(20.81)	(18.92)
Return after operating charges	90.23	(11.06)	82.78
Distributions	n/a	(42.30)	(46.75)
Closing NAV	2,233.87	2,143.64	2,197.00
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.51	1.35	0.78
Dilution adjustments	(0.05)	(0.10)	(0.11)
Total direct transaction costs	0.46	1.25	0.67
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.02	0.95	0.86
Return after charges	+4.21	-0.50	+3.83
Other information			
Closing NAV (\$'000)	65,489	67,252	58,986
Number of shares	2,317,392	2,474,186	2,311,341
Highest share price (UK p)	2,274.70	2,315.27	2,307.64
Lowest share price (UK p)	2,068.89	2,028.98	2,042.01

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,575.79	2,587.97	2,492.60
Return before operating charges	121.65	12.36	117.12
Operating charges	(13.32)	(24.54)	(21.75)
Return after operating charges	108.33	(12.18)	95.37
Distributions	n/a	(28.28)	(29.17)
Retained distributions	n/a	28.28	29.17
Closing NAV	2,684.12	2,575.79	2,587.97
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.62	1.59	0.89
Dilution adjustments	(0.06)	(0.12)	(0.12)
Total direct transaction costs	0.56	1.47	0.77
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.02	0.95	0.86
Return after charges	+4.21	-0.47	+3.83
Other information			
Closing NAV (\$'000)	395,992	405,150	344,826
Number of shares	11,662,109	12,404,711	11,470,538
Highest share price (UK p)	2,733.17	2,728.12	2,661.63
Lowest share price (UK p)	2,485.89	2,393.20	2,355.25

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 5 August 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	128.34	131.22	128.77
Return before operating charges	6.06	0.60	6.08
Operating charges	(0.54)	(0.99)	(0.86)
Return after operating charges	5.52	(0.39)	5.22
Distributions	n/a	(2.49)	(2.77)
Closing NAV	133.86	128.34	131.22
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.08	0.05
Dilution adjustments	0.00	(0.01)	(0.01)
Total direct transaction costs	0.03	0.07	0.04
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	0.82	0.75	0.66
Return after charges	+4.30	-0.30	+4.05
Other information			
Closing NAV (\$'000)	5,631	3,684	1,686
Number of shares	3,325,369	2,263,939	1,106,506
Highest share price (UK p)	136.26	138.40	137.78
Lowest share price (UK p)	123.89	121.21	121.81

Sterling Class 'PP' Accumulation share performance

The share class was launched on 8 April 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	154.31	154.73	148.73
Return before operating charges	7.32	0.75	7.00
Operating charges	(0.66)	(1.17)	(1.00)
Return after operating charges	6.66	(0.42)	6.00
Distributions	n/a	(1.99)	(2.06)
Retained distributions	n/a	1.99	2.06
Closing NAV	160.97	154.31	154.73
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.04	0.10	0.05
Dilution adjustments	0.00	(0.01)	(0.01)
Total direct transaction costs	0.04	0.09	0.04
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	0.82	0.75	0.66
Return after charges	+4.32	-0.27	+4.03
Other information			
Closing NAV (\$'000)	5,030	2,252	1,014
Number of shares	2,470,389	1,150,777	564,411
Highest share price (UK p)	163.85	163.26	159.12
Lowest share price (UK p)	148.97	143.12	140.66

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	210.77	216.55	213.54
Return before operating charges	9.96	0.96	10.04
Operating charges	(1.36)	(2.59)	(2.41)
Return after operating charges	8.60	(1.63)	7.63
Distributions	n/a	(4.15)	(4.62)
Closing NAV	219.37	210.77	216.55
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.05	0.13	0.08
Dilution adjustments	(0.01)	(0.01)	(0.01)
Total direct transaction costs	0.04	0.12	0.07
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.27	1.20	1.11
Return after charges	+4.08	-0.75	+3.57
Other information			
Closing NAV (\$'000)	5,692	5,635	5,062
Number of shares	2,051,277	2,108,533	2,012,246
Highest share price (UK p)	223.47	227.95	227.48
Lowest share price (UK p)	203.34	199.92	201.54

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	250.59	252.40	243.71
Return before operating charges	11.82	1.20	11.44
Operating charges	(1.61)	(3.01)	(2.75)
Return after operating charges	10.21	(1.81)	8.69
Distributions	n/a	(2.16)	(2.18)
Retained distributions	n/a	2.16	2.18
Closing NAV	260.80	250.59	252.40
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.06	0.15	0.09
Dilution adjustments	(0.01)	(0.01)	(0.01)
Total direct transaction costs	0.05	0.14	0.08
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	1.27	1.20	1.11
Return after charges	+4.07	-0.72	+3.57
Other information			
Closing NAV (\$'000)	26,003	26,050	25,701
Number of shares	7,881,175	8,198,421	8,765,926
Highest share price (UK p)	265.69	265.78	259.62
Lowest share price (UK p)	241.75	233.33	230.00

Financial highlights

US dollar Class 'A' Accumulation share performance

The share class was launched on 9 March 2007.

Change in NAV per share	Six months to 29.02.24 US ¢	Year to 31.08.23 US ¢	Year to 31.08.22 US ¢
Opening NAV	1,921.63	1,786.45	2,060.07
Return before operating charges	85.59	171.30	(237.10)
Operating charges	(19.34)	(36.12)	(36.52)
Return after operating charges	66.25	135.18	(273.62)
Distributions	n/a	(2.85)	(0.65)
Retained distributions	n/a	2.85	0.65
Closing NAV	1,987.88	1,921.63	1,786.45
Direct transaction costs	US ¢	US ¢	US ¢
Costs before dilution adjustments	0.45	1.14	0.69
Dilution adjustments	(0.04)	(0.09)	(0.10)
Total direct transaction costs	0.41	1.05	0.59
Performance and charges	%	%	%
Direct portfolio transaction costs	0.05	0.06	0.03
Operating charges	2.02	1.95	1.86
Return after charges	+3.45	+7.57	-13.28
Other information			
Closing NAV (\$'000)	22,175	23,170	24,463
Number of shares	1,115,494	1,205,761	1,369,355
Highest share price (US ¢)	2,044.79	2,021.92	2,103.79
Lowest share price (US ¢)	1,763.59	1,583.41	1,730.45

US dollar Class 'C' Accumulation share performance

The share class was launched on 17 November 2022.

Change in NAV per share	Six months to 29.02.24 US ¢	Period to 31.08.23 US ¢
Opening NAV	1,069.42	1,000.00
Return before operating charges	47.82	77.62
Operating charges	(5.48)	(8.20)
Return after operating charges	42.34	69.42
Distributions	n/a	(10.00)
Retained distributions	n/a	10.00
Closing NAV	1,111.76	1,069.42
Direct transaction costs	US ¢	US ¢
Costs before dilution adjustments	0.25	0.51
Dilution adjustments	(0.03)	(0.04)
Total direct transaction costs	0.22	0.47
Performance and charges	%	%
Direct portfolio transaction costs	0.05	0.06
Operating charges	1.03	0.96
Return after charges	+3.96	+6.94
Other information		
Closing NAV (\$'000)	22	21
Number of shares	2,000	2,000
Highest share price (US ¢)	1,141.64	1,124.17
Lowest share price (US ¢)	982.97	981.31

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Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		99,322		106,621
Revenue	29,084		28,447	
Expenses	(22,619)		(22,050)	
Interest payable and similar charges	(1)		(4)	
Net revenue/(expense) before taxation	6,464		6,393	
Taxation	(3,765)		(3,826)	
Net revenue/(expense) after taxation		2,699		2,567
Total return before equalisation		102,021		109,188
Equalisation		(136)		(55)
Change in net assets attributable to shareholders from investment activities		101,885		109,133

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		2,904,798		2,790,256
Amounts received on issue of shares	19,960		58,923	
Amounts paid on cancellation of shares	(130,255)		(74,436)	
		(110,295)		(15,513)
Dilution adjustments		127		120
Change in net assets attributable to shareholders from investment activities (see above)		101,885		109,133
Unclaimed distributions		12		10
Closing net assets attributable to shareholders		2,896,527		2,884,006

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

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Balance sheet

as at	29 February 2024 \$'000	31 August 2023 \$'000
Assets		
Fixed assets		
Investments	2,864,655	2,879,504
Current assets		
Debtors	17,364	17,913
Cash and bank balances	11,450	9,537
Cash equivalents	14,909	19,573
Total assets	2,908,378	2,926,527
Liabilities		
Creditors		
Distribution payable	0	(5,063)
Other creditors	(11,851)	(16,666)
Total liabilities	(11,851)	(21,729)
Net assets attributable to shareholders	2,896,527	2,904,798

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

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For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the MSCI Japan Index over any five-year period.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity related securities of companies across any sectors and market capitalisations that are incorporated, domiciled, or do most of their business in Japan. The fund usually holds a concentrated portfolio of fewer than 50 companies.

The fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach aims to exploit price volatility.

The fund manager believes that stockmarket mispricing can and often does occur because psychological factors (ie behavioural biases) prevent investors from always assessing investments rationally. As a result, market prices do not always reflect the fundamental value of companies. The fund seeks to profit from such behavioural biases.

The investment approach filters the fund's investment universe down to a focused list of companies whose shares trade on low valuations relative to their history

and the market. These companies are then subject to rigorous fundamental analysis to attain an understanding of a company's sustainable earnings. This fundamental analysis leads to a high level of conviction for each of the companies held in the fund.

The fund manager expects stock selection to be the main driver of performance.

Benchmark

Benchmark: MSCI Japan Index.

The benchmark is a target which the fund seeks to outperform. 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 fund 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.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

Authorised Corporate Director's Report

- 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 29 February 2024

Performance against objective

Between 1 September 2023 and 29 February 2024 (the period under review), the fund delivered positive returns across all share classes, but trailed its benchmark, the MSCI Japan Index, which gained 14.5% over the same period.

Over five years, the fund generated an annualised positive return across its share classes and outperformed the benchmark, which returned 8.7% pa over the period. Therefore, the fund achieved its objective to provide a combination of capital growth and income, net of the ongoing charge figure, higher than that of the MSCI Japan Index over any five-year period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

The period under review saw a strong rebound in global equities. Most major equity markets registered strong gains, with the US and Japan outperforming other regions. China was the only notable exception to this positive trend.

The Japanese stockmarket rallied strongly from late October onwards and ended the year with a powerful two-month rally. Despite weaker-than-expected economic growth, Japanese equities continued their strong performance in 2024 as further weakness in the Japanese yen (JPY) provided a tailwind for export-oriented companies.

Against this backdrop, the fund generated a positive return, but modestly underperformed its benchmark. Relative performance was hindered by stock selection, particularly our choices in technology, healthcare and

consumer discretionary. Nevertheless, this was partly offset by favourable picks in industrials, real estate and consumer staples.

The top individual contributor was machine maker Toyota Industries. The company has seen its shares rise steadily after reducing its stake in Denso. Moreover, Toyota is benefitting from the strong growth of Japanese exports, on the back of a weaker yen.

Mitsubishi UFJ Financial (our second-largest holding) also fared well during the review period. Japan's largest lender by assets saw its third-quarter net profit triple due to a recovery in domestic economic activity and strong loan demand from abroad. Banking stocks have risen since late December due to growing expectations that the Bank of Japan would finally end its ultra-loose monetary policy.

Our off-benchmark holdings in major chemical manufacturer Resonac and Rakuten Bank added value. Lack of exposure to air conditioner manufacturer Daikin also bolstered performance. The company is facing headwinds in Europe and the US.

Conversely, the leading detractors were recruitment agency, DIP and Rohm. Shares in DIP fell after the company revised its earnings guidance downwards. Rohm, a manufacturer of semiconductor testing equipment and electronic measuring devices, has struggled in recent months. Nevertheless, we feel that Rohm is a quality business and its silicon carbide power chips hold out exciting prospects for electric car makers.

Other notable detractors during the review period included off-benchmark holdings in biotechnology firm PeptiDream, electronics company Taiyo Yuden and Nikon, an optics and photographic equipment manufacturer.

Investment activities

We aim to identify significant dislocations between the price and what we consider to be the risk of ownership of a company. We seek to exploit these dislocations using what we believe to be our greater perspective earned through our long-term research. In our opinion,

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our edge does not come from better forecasting, but rather from the superior pricing of risk.

In addition, we actively engage with companies in which we invest as we seek to add value in a range of areas. We believe this differentiates us as investment professionals and enables us to identify unique investment opportunities.

At the end of 2023, we initiated positions in auto parts manufacturer Denso and Nomura as valuation opportunities arose. We are pleased to see Toyota's group of companies proactively unwinding their shareholdings in Denso and believe that this enables greater governance and better returns in the long-run for Denso.

Although we have been cautious about Nomura in recent years, we felt that management has become more focused on revitalising the investment bank's fortunes. We invested following a significant underperformance of its share price.

We also started a new position in diversified industrial group AGC. We believe the company is well-positioned to benefit from structural growth in the semiconductor sector. AGC is also undergoing a corporate transformation by expanding into highly profitable strategic businesses such as semiconductors, life sciences and mobility.

In January 2024, we established a new position in Panasonic, a leading electronics manufacturer in Japan and globally. The company is a diversified conglomerate, and we feel that Panasonic is another shining example of a self-help driven earnings story, similar to Hitachi. We have been following developments in the company closely and believe that it was the right moment to invest. Earlier in the review period, we began holdings in automotive supplier, Aisin, which is part of Toyota, and Fast Retailing, a retailer owning brands such as Uniqlo and J Brand.

We exited advertising agency Dentsu, Skymark Airlines, Rakuten Bank and Earth, a pharmaceutical and chemical manufacturer. While Dentsu was promising in terms of its corporate governance reforms,

unfortunately, cyclical weakness in both its legacy and growth business have hampered performance.

We were one of the anchor investors when Rakuten Bank was listed in April 2023. Following a substantial rise in share price since then, we decided to take profits and close our position. Other positions closed included Oriental Land, owner of Tokyo Disneyland, and Kamigumi, a transport and logistics firm.

Outlook

As we ponder the remainder of 2024 for Japanese equities, macroeconomic fundamentals remain confusing, as ever. Like the market, we too worry about the yen, China, and both domestic and global politics among other issues. However, we sense no euphoria in Japanese equity valuations or expectations. As such, we are resisting the temptation to be pre-emptively 'tactical' ahead of potential macroeconomic outcomes and instead remain focused on long-term 'structural' opportunities.

Our engagements with companies continue to strengthen conviction in the Japanese business story, as self-help continues to accelerate in the corporate sector. Boardroom discussions are now increasingly centred on the 'best owner' question; companies are evaluating their business portfolios and trimming business lines that are unable to deliver a higher return on equity. Although this type of corporate restructuring may seem straightforward in the West, it is a fairly new phenomenon in Japan where excessive diversification is deeply ingrained in the Japanese corporate culture.

As a result, we continue to believe that structural earnings growth, mainly from corporate self-help, will be a strong driver of market returns.

Carl Vine

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities	560,072,853	98.15	98.54
Chemicals	15,995,465	2.80	2.48
2,654,700 Resonac	9,588,147	1.68	
9,287,200 Toray Industries	6,407,318	1.12	
Building products	9,054,244	1.59	0.00
1,692,800 AGC	9,054,244	1.59	
Construction & engineering	1,590,875	0.28	1.38
339,300 Taisei	1,590,875	0.28	
Electrical equipment	7,890,732	1.38	1.54
3,998,900 Ushio	7,890,732	1.38	
Industrial conglomerates	25,692,692	4.50	4.26
2,032,300 Hitachi	25,692,692	4.50	
Machinery	27,421,463	4.81	5.30
5,785,600 Hitachi Zosen	7,109,166	1.25	
1,340,200 Kawasaki Heavy Industries	5,539,755	0.97	
993,500 Toyota Industries	14,772,542	2.59	
Trading companies & distributors	24,249,619	4.25	4.10
3,705,400 Mitsui	24,249,619	4.25	
Professional services	28,271,304	4.95	5.97
2,531,100 dip	6,609,681	1.16	
3,956,000 Open Up	8,605,338	1.50	
2,163,300 Recruit	13,056,285	2.29	
Road & rail	11,742,921	2.06	1.89
1,679,100 Keisei Electric Railway	11,742,921	2.06	
Transportation infrastructure	0	0.00	0.89
Auto components	13,847,380	2.43	0.01
1,328,800 Aisin	7,488,849	1.31	
2,300,200 Denso	6,306,992	1.11	
45,122 REE Automotive	51,539	0.01	
Automobiles	61,040,849	10.70	10.45
8,276,300 Honda Motor	14,686,505	2.58	
10,072,000 Toyota Motor	36,413,323	6.38	
7,432,500 Yamaha Motor	9,941,021	1.74	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Household durables	47,673,465	8.35	7.32
7,374,600 Nikon	10,896,912	1.91	
5,589,300 Panasonic	7,911,377	1.38	
1,410,600 Sony	18,194,973	3.19	
2,498,800 Sumitomo Forestry	10,670,203	1.87	
Hotels, restaurants & leisure	0	0.00	1.08
Speciality retail	19,256,248	3.37	2.53
185,100 Fast Retailing	7,999,018	1.40	
1,345,700 Sanrio	11,257,230	1.97	
Food & staples retailing	28,060,121	4.92	4.59
12,580,200 Seven & i	28,060,121	4.92	
Beverages	4,859,361	0.85	0.77
2,333,600 Kirin	4,859,361	0.85	
Household products	0	0.00	0.59
Biotechnology	6,052,298	1.06	1.82
3,859,800 PeptiDream	6,052,298	1.06	
Pharmaceuticals	14,931,569	2.62	2.81
3,356,000 Astellas Pharma	5,536,711	0.97	
2,146,200 Takeda Pharmaceutical	9,394,858	1.65	
Banks	34,626,727	6.07	7.28
22,497,500 Mitsubishi UFJ Financial	34,626,727	6.07	
Diversified financial services	23,604,187	4.14	3.73
7,529,300 ORIX	23,604,187	4.14	
Consumer finance	12,572,047	2.20	2.50
4,318,300 Credit Saison	12,572,047	2.20	
Capital markets	9,846,908	1.73	0.82
7,852,100 Nomura	6,677,504	1.17	
1,674,780 Sparx	3,169,404	0.56	
IT services	16,724,266	2.93	3.32
1,101,400 NEC	11,103,820	1.95	
2,310,600 NTT Data	5,620,446	0.98	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Technology hardware, storage & peripherals	6,647,738	1.16	1.41
698,700 FUJIFILM	6,647,738	1.16	
Electronic equipment, instruments & components	15,865,603	2.78	3.12
850,000 Hamamatsu Photonics	4,552,890	0.80	
70,100 Keyence	4,903,129	0.86	
1,964,300 Taiyo Yuden	6,409,584	1.12	
Semiconductors & semiconductor equipment	26,357,998	4.62	4.40
2,254,700 Renesas Electronics	5,513,761	0.97	
3,887,300 Rohm	9,813,223	1.72	
299,800 Tokyo Electron	11,031,014	1.93	
Diversified telecommunication services	21,467,873	3.76	4.06
117,804,900 Nippon Telegraph & Telephone	21,467,873	3.76	
Wireless telecommunication services	13,855,732	2.43	2.78
1,581,400 SoftBank	13,855,732	2.43	
Media	0	0.00	1.64
Real estate management & development	30,873,168	5.41	3.70
7,086,700 Mitsubishi Estate	16,297,503	2.86	
3,592,900 Mitsui Fudosan	14,575,665	2.55	
Portfolio of investments	560,072,853	98.15	98.54
Share class hedging	(4,772)	0.00	0.00
Forward currency contracts for share class hedging	(4,772)	0.00	0.00
£3,982,497 Bought for ¥757,791,036 (expires 27.03.24)	(4,795)	0.00	
£(25,291) Sold for ¥4,804,807 (expires 27.03.24)	23	0.00	
Total portfolio	560,068,081	98.15	98.54
Net other assets/(liabilities)	10,539,095	1.85	1.46
Net assets attributable to shareholders	570,607,176	100.00	100.00

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

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	¥'000
Toyota Motor	13,771,894
Mitsubishi UFJ Financial	13,104,258
Seven & i	10,570,989
ORIX	9,325,816
AGC	9,132,182
Sony	8,260,922
Mitsubishi Estate	8,213,361
Hitachi	8,102,098
Panasonic	7,877,153
Mitsui	7,798,521
Other purchases	142,682,543
Total purchases	238,839,737

Largest sales	¥'000
Dentsu	6,047,560
Rakuten Bank	6,023,389
Taisei	4,446,082
Mitsubishi UFJ Financial	4,343,986
Honda Motor	4,233,557
NEC	3,942,748
Kamigumi	2,693,270
Sanrio	2,507,335
SoftBank	2,464,669
Toyota Motor	2,457,788
Other sales	13,890,210
Total sales	53,050,594

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+13.3	+12.1	+10.2	+10.3
Class 'A' Accumulation	+13.3	+12.2	+10.2	+10.3
Class 'I' Income	+13.5	+12.6	+10.8	+10.9
Class 'I' Accumulation	+13.5	+12.6	+10.7	+10.9
Class 'I-H' Accumulation	+19.1	n/a	n/a	n/a
Class 'PP' Income	+13.6	+12.8	n/a	n/a
Class 'PP' Accumulation	+13.6	+12.8	n/a	n/a
Class 'PP-H' Accumulation	+19.3	n/a	n/a	n/a
Class 'R' Income	+13.4	+12.3	+10.5	+10.7
Class 'R' Accumulation	+13.4	+12.3	+10.5	+10.7
Benchmark	+14.5	+6.9	+8.7	+9.6

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 9 May 1977.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	66.86	61.52	60.12
Return before operating charges	9.24	7.23	3.64
Operating charges	(0.32)	(0.57)	(0.73)
Return after operating charges	8.92	6.66	2.91
Distributions	(0.60)	(1.32)	(1.51)
Closing NAV	75.18	66.86	61.52
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.03	0.03
Dilution adjustments	(0.01)	(0.03)	(0.03)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.92	0.95	1.19
Return after charges	+13.34	+10.83	+4.84
Other information			
Closing NAV (¥'000)	16,616,403	16,908,397	14,515,768
Number of shares	116,492,892	136,672,256	146,451,136
Highest share price (UK p)	75.97	70.15	64.65
Lowest share price (UK p)	65.34	57.57	57.01

Sterling Class 'A' Accumulation share performance

The share class was launched on 6 April 1971.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	86.18	77.72	74.15
Return before operating charges	11.94	9.19	4.47
Operating charges	(0.41)	(0.73)	(0.90)
Return after operating charges	11.53	8.46	3.57
Distributions	(0.38)	(0.94)	(0.99)
Retained distributions	0.38	0.94	0.99
Closing NAV	97.71	86.18	77.72
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.02	0.04	0.04
Dilution adjustments	(0.02)	(0.04)	(0.03)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.92	0.95	1.18
Return after charges	+13.38	+10.89	+4.81
Other information			
Closing NAV (¥'000)	1,968,056	1,693,672	1,194,472
Number of shares	10,616,039	10,621,808	9,538,946
Highest share price (UK p)	97.95	89.53	79.73
Lowest share price (UK p)	84.25	72.74	70.31

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	2,742.38	2,513.17	2,445.79
Return before operating charges	379.36	297.14	147.22
Operating charges	(7.40)	(13.82)	(18.37)
Return after operating charges	371.96	283.32	128.85
Distributions	(24.74)	(54.11)	(61.47)
Closing NAV	3,089.60	2,742.38	2,513.17
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.50	1.45	1.24
Dilution adjustments	(0.50)	(1.45)	(1.13)
Total direct transaction costs	0.00	0.00	0.11
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.52	0.54	0.72
Return after charges	+13.56	+11.27	+5.27
Other information			
Closing NAV (¥'000)	18,271,616	10,491,859	2,320,591
Number of shares	3,116,979	2,067,717	573,139
Highest share price (UK p)	3,122.16	2,874.62	2,631.19
Lowest share price (UK p)	2,681.52	2,352.88	2,324.33

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,342.44	3,001.04	2,851.62
Return before operating charges	461.93	358.06	171.12
Operating charges	(9.00)	(16.66)	(21.70)
Return after operating charges	452.93	341.40	149.42
Distributions	(21.35)	(48.45)	(49.66)
Retained distributions	21.35	48.45	49.66
Closing NAV	3,795.37	3,342.44	3,001.04
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.61	1.75	1.42
Dilution adjustments	(0.61)	(1.75)	(1.29)
Total direct transaction costs	0.00	0.00	0.13
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.52	0.54	0.74
Return after charges	+13.55	+11.38	+5.24
Other information			
Closing NAV (¥'000)	109,996,937	74,771,185	21,718,714
Number of shares	15,275,175	12,090,310	4,492,054
Highest share price (UK p)	3,804.87	3,467.80	3,066.97
Lowest share price (UK p)	3,267.87	2,810.31	2,709.29

Financial highlights

Sterling Class 'I-H' Accumulation share performance

The share class was launched on 14 June 2023.

Change in NAV per share	Six months to 29.02.24 UK p	Period to 31.08.23 UK p
Opening NAV	101.87	100.00
Return before operating charges	19.83	2.00
Operating charges	(0.30)	(0.13)
Return after operating charges	19.53	1.87
Distributions	(0.67)	(0.05)
Retained distributions	0.67	0.05
Closing NAV	121.40	101.87
Direct transaction costs	UK p	UK p
Costs before dilution adjustments	0.02	0.01
Dilution adjustments	(0.02)	(0.01)
Total direct transaction costs	0.00	0.00
Performance and charges	%	%
Direct portfolio transaction costs	0.00	0.00
Operating charges	0.55	0.57
Return after charges	+19.17	+1.87
Other information		
Closing NAV (¥'000)	187,697	3,782
Number of shares	814,872	20,063
Highest share price (UK p)	122.22	102.58
Lowest share price (UK p)	98.30	97.45

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 5 August 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	126.52	115.83	112.49
Return before operating charges	17.51	13.72	6.71
Operating charges	(0.28)	(0.54)	(0.54)
Return after operating charges	17.23	13.18	6.17
Distributions	(1.14)	(2.49)	(2.83)
Closing NAV	142.61	126.52	115.83
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.02	0.07	0.06
Dilution adjustments	(0.02)	(0.07)	(0.05)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.42	0.44	0.45
Return after charges	+13.62	+11.38	+5.48
Other information			
Closing NAV (¥'000)	319,940,394	137,738,738	5,669,845
Number of shares	1,182,459,380	588,404,534	30,383,634
Highest share price (UK p)	144.11	132.59	121.03
Lowest share price (UK p)	123.73	108.46	107.02

Sterling Class 'PP' Accumulation share performance

The share class was launched on 8 April 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	144.75	129.84	123.13
Return before operating charges	20.02	15.51	7.30
Operating charges	(0.32)	(0.60)	(0.59)
Return after operating charges	19.70	14.91	6.71
Distributions	(1.00)	(2.23)	(2.39)
Retained distributions	1.00	2.23	2.39
Closing NAV	164.45	144.75	129.84
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.08	0.06
Dilution adjustments	(0.03)	(0.08)	(0.06)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.42	0.44	0.46
Return after charges	+13.61	+11.48	+5.45
Other information			
Closing NAV (¥'000)	102,396,903	65,597,700	1,504,705
Number of shares	328,175,136	244,919,163	7,193,276
Highest share price (UK p)	164.87	150.15	132.45
Lowest share price (UK p)	141.55	121.60	117.10

Financial highlights

Sterling Class 'PP-H' Accumulation share performance

The share class was launched on 14 June 2023.

Change in NAV per share	Six months to 29.02.24 UK p	Period to 31.08.23 UK p
Opening NAV	100.12	100.00
Return before operating charges	21.70	0.22
Operating charges	(0.25)	(0.10)
Return after operating charges	21.45	0.12
Distributions	(0.73)	(0.07)
Retained distributions	0.73	0.07
Closing NAV	121.57	100.12
Direct transaction costs	UK p	UK p
Costs before dilution adjustments	0.02	0.01
Dilution adjustments	(0.02)	(0.01)
Total direct transaction costs	0.00	0.00
Performance and charges	%	%
Direct portfolio transaction costs	0.00	0.00
Operating charges	0.45	0.47
Return after charges	+21.42	+0.12
Other information		
Closing NAV (¥'000)	563,335	3,707
Number of shares	2,442,213	20,010
Highest share price (UK p)	122.41	102.65
Lowest share price (UK p)	98.42	97.46

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	269.24	247.12	241.10
Return before operating charges	36.92	29.37	14.59
Operating charges	(1.07)	(1.94)	(2.52)
Return after operating charges	35.85	27.43	12.07
Distributions	(2.43)	(5.31)	(6.05)
Closing NAV	302.66	269.24	247.12
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.05	0.14	0.12
Dilution adjustments	(0.05)	(0.14)	(0.11)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.77	0.80	1.02
Return after charges	+13.32	+11.10	+5.01
Other information			
Closing NAV (¥'000)	78,012	68,482	43,256
Number of shares	135,853	137,466	108,648
Highest share price (UK p)	305.85	282.10	259.34
Lowest share price (UK p)	262.91	231.28	228.83

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	325.28	292.79	278.90
Return before operating charges	44.91	34.80	16.81
Operating charges	(1.29)	(2.31)	(2.92)
Return after operating charges	43.62	32.49	13.89
Distributions	(1.67)	(3.99)	(4.16)
Retained distributions	1.67	3.99	4.16
Closing NAV	368.90	325.28	292.79
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.06	0.17	0.14
Dilution adjustments	(0.06)	(0.17)	(0.13)
Total direct transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.05
Operating charges	0.77	0.80	1.03
Return after charges	+13.41	+11.10	+4.98
Other information			
Closing NAV (¥'000)	587,823	429,153	282,987
Number of shares	839,846	713,060	599,927
Highest share price (UK p)	369.82	337.66	299.92
Lowest share price (UK p)	317.90	274.08	264.64

Financial statements and notes

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Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	¥'000	¥'000	¥'000	¥'000
Income				
Net capital gains/(losses)		71,188,465		3,754,797
Revenue	3,614,161		613,427	
Expenses	(969,983)		(182,304)	
Interest payable and similar charges	(10,997)		(1,623)	
Net revenue/(expense) before taxation	2,633,181		429,500	
Taxation	(361,311)		(61,332)	
Net revenue/(expense) after taxation		2,271,870		368,168
Total return before distributions		73,460,335		4,122,965
Distributions		(2,832,037)		(464,745)
Change in net assets attributable to shareholders from investment activities		70,628,298		3,658,220

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	¥'000	¥'000	¥'000	¥'000
Opening net assets attributable to shareholders		307,706,675		47,250,338
Amounts received on issue of shares	206,233,773		61,776,482	
Amounts paid on cancellation of shares	(15,490,601)		(9,052,934)	
		190,743,172		52,723,548
Dilution adjustments		273,785		84,547
Change in net assets attributable to shareholders from investment activities (see above)		70,628,298		3,658,220
Retained distributions on Accumulation shares		1,254,599		504,222
Unclaimed distributions		647		144
Closing net assets attributable to shareholders		570,607,176		104,221,019

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	29 February 2024 ¥'000	31 August 2023 ¥'000
Assets		
Fixed assets		
Investments	560,072,876	303,229,460
Current assets		
Debtors	3,494,146	2,838,718
Cash and bank balances	10,658,612	7,635,863
Total assets	574,225,634	313,704,041
Liabilities		
Investment liabilities	(4,795)	0
Creditors		
Distribution payable	(2,840,885)	(1,704,471)
Other creditors	(772,778)	(4,292,895)
Total liabilities	(3,618,458)	(5,997,366)
Net assets attributable to shareholders	570,607,176	307,706,675

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the Russell/Nomura Mid-Small Cap Index over any five-year period.

Investment policy

At least 80% of the fund is invested in the equity securities and equity related securities of smaller companies that are incorporated, domiciled, or do most of their business, in Japan.

Smaller companies are defined as the bottom half in terms of total market capitalisation of all publicly listed companies in Japan.

The fund usually holds a concentrated portfolio of fewer than 50 companies.

The fund may also invest in other transferable securities directly or via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach aims to take advantage of price volatility.

The fund manager believes that stockmarket mispricing can and often does occur because psychological factors (ie behavioural biases) prevent investors from always assessing investments rationally. As a result, market prices do not always reflect the fundamental

value of companies. The fund seeks to profit from such behavioural biases.

The investment approach filters the fund's investment universe down to a focused list of companies whose shares trade on low valuations relative to their history and the market. These companies are then subject to rigorous fundamental analysis to attain an understanding of a company's sustainable earnings. This fundamental analysis leads to a high level of conviction for each of the companies held in the fund.

The fund manager expects stock selection to be the main driver of performance.

Benchmark

Benchmark: Russell/Nomura Mid-Small Cap Index.

The benchmark is a target which the fund seeks to outperform. 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 fund 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.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

Authorised Corporate Director'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 Sterling Class 'A' shares.



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 29 February 2024

Performance against objective

Between 1 September 2023 and 29 February 2024 (the period under review), the fund delivered positive returns across all share classes, but trailed its benchmark, the Russell/Nomura Mid-Small Cap Index, which gained 7.8% over the same period.

Over five years, the fund generated an annualised positive return across its share classes and outperformed the benchmark, which returned 5.4% pa over the period. Therefore, the fund achieved its objective to provide a combination of capital growth and income, net of the ongoing charge figure, higher than that of the Russell/Nomura Mid-Small Cap Index over any five-year period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

The period under review saw a strong rebound in global stockmarkets. Most major equity markets registered strong gains, with the US and Japan outperforming other regions. China was the only notable exception to this positive trend.

The Japanese stockmarket rallied strongly from late October onwards and ended the year with a powerful two-month rally. Despite weaker-than-expected economic growth, Japanese equities continued their strong performance in 2024 as further weakness in the Japanese yen (JPY) provided a tailwind for export-oriented companies.

Against this backdrop, the fund generated a positive return, but underperformed its benchmark. Relative performance was hindered by stock selection, particularly our choices in technology and industrials. Nevertheless, this was partly offset by favourable picks in consumer staples and real estate.

The top individual contributor was CKD, a manufacturer of factory automation machinery, including integrated circuit production equipment. The stock gained significantly in a strong period for the technology sector, driven by optimism around artificial intelligence.

Hitachi Zosen, an industrial and engineering business, also delivered robust gains. We have been actively engaged with management on its strategic decisions and are glad to see this once neglected company gaining recognition among the investment community. Our holdings in machine maker Toyota Industries, automotive supplier Niterra and Suruga Bank also added value.

Conversely, the leading detractor was recruitment agency, DIP. Shares fell after the company revised its earnings guidance downwards. Our off-benchmark holding in cosmetic company Axxzia also held back relative performance in a challenging period for the stock.

Other notable detractors during the review period included Rohm, a manufacturer of semiconductor

Authorised Corporate Director's Report

testing equipment and electronic measuring devices, Seibu Giken, and biotechnology firm PeptiDream.

Investment activities

We aim to identify significant dislocations between the price and what we consider to be the risk of ownership of a company. We seek to exploit these dislocations using what we believe to be our greater perspective earned through our long-term research. In our opinion, our edge does not come from better forecasting, but rather from the superior pricing of risk.

In addition, we actively engage with companies in which we invest as we seek to add value in a range of areas. We believe this differentiates us as investment professionals and enables us to identify unique investment opportunities.

We feel this is especially true in the small and mid-cap space, where coverage by the investment community is more limited. New investments made during the review period exemplify our approach, where we seek to add value through understanding the business like a business owner, and not simply as a passive investor.

At the end of 2023, we began holdings in IT services management company Net One Systems and Nomura. Recent weakness in Net One's shares provided an attractive opening for an investment and we are optimistic about the firm's longer-term prospects. Although we have been cautious about Nomura in recent years, we felt that management has become more focused on revitalising the investment bank's fortunes. We invested following significant underperformance of its share price.

In January 2024, we initiated new positions in Mitsubishi Estate, one of the largest property developers in Japan, Suzuki Motor and Panasonic. Panasonic is a diversified conglomerate, and we feel that the company is another shining example of a self-help driven earnings story. We have been following developments in the company closely and believe that it was the right moment to invest. Earlier in the review period, we began holdings in automotive supplier, Aisin, which is part of Toyota, and Seibu Giken, a manufacturer of heating ventilation air conditioning

products. Other new positions included Shibaura Machine, a global manufacturer of injection moulding machines, logistic company SBS and Seven & i, operator of 7-Eleven convenience shops.

We exited advertising agency Dentsu, and Rakuten Bank in 2023. While Dentsu was promising in terms of its corporate governance reforms, unfortunately, cyclical weakness in both its legacy and growth businesses have hampered performance.

We were one of the anchor investors when Rakuten Bank was listed in April 2023. Following a substantial rise in share price since then, we decided to take profits and close our position. Other positions closed included life insurer T&D, recruitment consultant Tryt and Kamigumi, a transport and logistics firm.

Outlook

As we ponder the remainder of 2024 for Japanese equities, macroeconomic fundamentals remain confusing, as ever. Like the market, we too worry about the yen, China, and both domestic and global politics among other issues. However, we sense no euphoria in Japanese equity valuations or expectations. As such, we are resisting the temptation to be pre-emptively 'tactical' ahead of potential macroeconomic outcomes and instead remain focused on long-term 'structural' opportunities.

Our engagements with companies continue to strengthen conviction in the Japanese business story, as self-help continues to accelerate in the corporate sector. Boardroom discussions are now increasingly centered on the 'best-owner' question; companies are evaluating their business portfolios and trimming business lines that are unable to deliver a higher return on equity. Although this type of corporate restructuring may seem straightforward in the West, it is a fairly new phenomenon in Japan, where excessive diversification is deeply ingrained in the Japanese corporate culture.

Authorised Corporate Director's Report

As a result, we continue to believe that structural earnings growth, mainly from corporate self-help, will be a strong driver of market returns.

Carl Vine

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities	43,139,962	97.13	97.94
Software & computer services	738,490	1.66	0.00
284,500 NET One Systems	738,490	1.66	
Technology hardware & equipment	3,962,893	8.92	10.33
104,800 Megachips	435,804	0.98	
82,900 NEC	835,761	1.88	
808,300 QD Laser	447,469	1.01	
400,700 Rohm	1,011,540	2.28	
183,500 Taiyo Yuden	598,767	1.35	
169,500 Tazmo	633,552	1.42	
Medical equipment & services	592,408	1.33	1.43
230,600 H.U.	592,408	1.33	
Pharmaceuticals & biotechnology	788,407	1.78	2.07
502,800 PeptiDream	788,407	1.78	
Banks	180,503	0.41	3.47
224,400 Suruga Bank	180,503	0.41	
Investment banking & brokerage services	2,708,127	6.10	4.70
664,400 Nomura	565,012	1.27	
374,300 ORIX	1,173,422	2.64	
412,055 Sparx	779,786	1.76	
290,448 YCP	189,907	0.43	
Life insurance	0	0.00	1.70
Real estate investment & services	2,641,091	5.95	2.96
3,152,100 Ichigo	1,226,066	2.76	
615,300 Mitsubishi Estate	1,415,025	3.19	
Automobiles & parts	6,481,245	14.59	13.29
114,800 Aisin	646,990	1.46	
464,000 Honda Motor	823,380	1.85	
209,000 KYB	1,072,087	2.41	
223,800 Niterra	1,014,677	2.28	
21,399 REE Automotive	24,442	0.06	
93,800 Suzuki Motor	616,657	1.39	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Automobiles & parts (continued)			
88,100 Toyota Industries	1,309,976	2.95	
727,500 Yamaha Motor	973,036	2.19	
Household goods & home construction	839,081	1.89	2.04
196,500 Sumitomo Forestry	839,081	1.89	
Leisure goods	3,386,318	7.62	6.45
623,100 Nikon	920,710	2.07	
523,300 Panasonic	740,705	1.67	
122,100 Sanrio	1,021,407	2.30	
33,800 Shimano	703,496	1.58	
Media	0	0.00	1.88
Travel & leisure	939,255	2.12	1.34
912,730 Skymark Airlines	939,255	2.12	
Beverages	7,496	0.02	1.36
3,600 Kirin	7,496	0.02	
Food producers	1,014,609	2.28	1.68
116,600 Toyo Suisan Kaisha	1,014,609	2.28	
Personal care, drug & grocery stores	1,374,610	3.10	1.99
753,700 Axxzia	641,222	1.45	
328,800 Seven & i	733,388	1.65	
Construction & materials	1,113,019	2.51	2.25
905,800 Hitachi Zosen	1,113,019	2.51	
Electronic & electrical equipment	2,474,941	5.57	5.94
89,400 Hamamatsu Photonics	478,857	1.08	
156,800 Nippon Pillar Packing	857,336	1.93	
577,100 Ushio	1,138,748	2.56	
General industrials	959,737	2.16	2.37
299,400 Noritsu Koki	959,737	2.16	
Industrial engineering	3,331,845	7.50	4.50
492,300 CKD	1,502,411	3.38	
155,500 Nabtesco	385,733	0.87	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 ¥'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Industrial engineering (continued)			
1,375,900 Nippon Thompson	895,375	2.02	
149,600 Shibaura Machine	548,326	1.23	
Industrial support services	4,446,256	10.01	11.12
255,000 Central Security Patrols	647,157	1.46	
352,900 Credit Saison	1,027,412	2.31	
401,300 dip	1,047,950	2.36	
413,800 Open Up	900,124	2.03	
91,200 SBS	217,890	0.49	
356,400 Seibu Giken	605,723	1.36	
Industrial transportation	1,525,158	3.43	6.42
105,600 Keisei Electric Railway	738,522	1.66	
430,500 Nippon Signal	437,231	0.98	
134,900 Sakai Moving Service	349,405	0.79	
Chemicals	3,634,473	8.18	8.65
61,900 Earth	261,687	0.59	
201,100 Resonac	726,325	1.63	
124,400 Sumitomo Bakelite	1,065,947	2.40	
277,200 T Hasegawa	858,525	1.93	
1,046,500 Toray Industries	721,989	1.63	
Total portfolio	43,139,962	97.13	97.94
Net other assets/(liabilities)	1,276,328	2.87	2.06
Net assets attributable to shareholders	44,416,290	100.00	100.00

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

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	¥'000
Mitsubishi Estate	1,337,869
Seibu Giken	829,055
Panasonic	753,706
NET One Systems	689,395
Seven & i	667,210
Aisin	648,668
Suzuki Motor	620,241
Shibaura Machine	578,562
Skymark Airlines	542,027
CKD	493,610
Other purchases	9,579,677
Total purchases	16,740,020

Largest sales	¥'000
Suruga Bank	1,073,835
T&D	923,568
Dentsu	695,066
Rakuten Bank	684,400
Kirin	665,753
NEC	664,366
Sakai Moving Service	645,559
Niterra	592,503
Honda Motor	526,475
Kamigumi	510,266
Other sales	6,468,902
Total sales	13,450,693

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+6.0	+9.6	+11.2	+12.0
Class 'A' Accumulation	+6.0	+9.6	+11.2	+12.0
Class 'I' Income	+6.2	+10.1	+11.7	+12.7
Class 'I' Accumulation	+6.2	+10.1	+11.7	+12.7
Class 'PP' Income	+6.2	n/a	n/a	n/a
Class 'PP' Accumulation	+6.2	n/a	n/a	n/a
Class 'R' Income	+6.0	+9.8	+11.5	+12.4
Class 'R' Accumulation	+6.0	+9.8	+11.5	+12.4
Benchmark	+7.8	+4.5	+5.4	+9.0

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 15 May 1984.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	691.05	629.61	620.45
Return before operating charges	48.03	82.60	31.28
Operating charges	(3.81)	(6.95)	(7.84)
Return after operating charges	44.22	75.65	23.44
Distributions	n/a	(14.21)	(14.28)
Closing NAV	735.27	691.05	629.61
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.13	0.28	0.34
Dilution adjustments	(0.10)	(0.18)	(0.23)
Total direct transaction costs	0.03	0.10	0.11
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	1.10	1.10	1.28
Return after charges	+6.40	+12.02	+3.78
Other information			
Closing NAV (¥'000)	784,457	721,864	616,884
Number of shares	562,321	564,565	608,155
Highest share price (UK p)	734.84	734.77	677.49
Lowest share price (UK p)	664.00	595.66	570.71

Sterling Class 'A' Accumulation share performance

The share class was launched on 15 May 1984.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	841.17	750.93	723.73
Return before operating charges	58.46	98.50	36.03
Operating charges	(4.63)	(8.26)	(8.83)
Return after operating charges	53.83	90.24	27.20
Distributions	n/a	(8.90)	(8.00)
Retained distributions	n/a	8.90	8.00
Closing NAV	895.00	841.17	750.93
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.16	0.33	0.40
Dilution adjustments	(0.12)	(0.21)	(0.27)
Total direct transaction costs	0.04	0.12	0.13
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	1.10	1.10	1.22
Return after charges	+6.40	+12.02	+3.76
Other information			
Closing NAV (¥'000)	1,846,357	1,743,814	1,706,313
Number of shares	1,087,308	1,120,429	1,410,395
Highest share price (UK p)	894.48	876.55	790.12
Lowest share price (UK p)	808.25	710.59	665.59

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,518.58	3,192.88	3,133.69
Return before operating charges	244.92	420.48	156.99
Operating charges	(12.35)	(22.59)	(25.55)
Return after operating charges	232.57	397.89	131.44
Distributions	n/a	(72.19)	(72.25)
Closing NAV	3,751.15	3,518.58	3,192.88
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.66	1.43	1.75
Dilution adjustments	(0.51)	(0.90)	(1.20)
Total direct transaction costs	0.15	0.53	0.55
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.70	0.70	0.81
Return after charges	+6.61	+12.46	+4.19
Other information			
Closing NAV (¥'000)	4,062,229	3,468,376	2,248,538
Number of shares	570,767	532,753	437,120
Highest share price (UK p)	3,748.97	3,737.85	3,422.32
Lowest share price (UK p)	3,382.92	3,022.35	2,891.71

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	4,223.81	3,754.88	3,604.44
Return before operating charges	293.10	495.81	180.26
Operating charges	(14.83)	(26.88)	(29.82)
Return after operating charges	278.27	468.93	150.44
Distributions	n/a	(59.25)	(53.97)
Retained distributions	n/a	59.25	53.97
Closing NAV	4,502.08	4,223.81	3,754.88
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.79	1.70	2.00
Dilution adjustments	(0.61)	(1.08)	(1.37)
Total direct transaction costs	0.18	0.62	0.63
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.70	0.70	0.83
Return after charges	+6.59	+12.49	+4.17
Other information			
Closing NAV (¥'000)	27,301,421	23,298,692	11,539,074
Number of shares	3,196,176	2,981,214	1,907,470
Highest share price (UK p)	4,499.46	4,396.76	3,935.69
Lowest share price (UK p)	4,060.14	3,555.13	3,325.49

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 28 June 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	112.34	101.84	99.74
Return before operating charges	7.83	13.43	5.00
Operating charges	(0.34)	(0.63)	(0.60)
Return after operating charges	7.49	12.80	4.40
Distributions	n/a	(2.30)	(2.30)
Closing NAV	119.83	112.34	101.84
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.02	0.05	0.06
Dilution adjustments	(0.02)	(0.03)	(0.04)
Total direct transaction costs	0.00	0.02	0.02
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.60	0.60	0.60
Return after charges	+6.67	+12.57	+4.41
Other information			
Closing NAV (¥'000)	4,982,640	3,306,722	1,363,384
Number of shares	21,915,326	15,907,995	8,309,530
Highest share price (UK p)	119.76	119.32	108.93
Lowest share price (UK p)	108.03	96.42	92.22

Sterling Class 'PP' Accumulation share performance

The share class was launched on 28 June 2021.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	117.38	104.25	99.84
Return before operating charges	8.16	13.76	5.02
Operating charges	(0.36)	(0.63)	(0.61)
Return after operating charges	7.80	13.13	4.41
Distributions	n/a	(1.75)	(1.72)
Retained distributions	n/a	1.75	1.72
Closing NAV	125.18	117.38	104.25
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.02	0.05	0.06
Dilution adjustments	(0.02)	(0.03)	(0.04)
Total direct transaction costs	0.00	0.02	0.02
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.60	0.60	0.60
Return after charges	+6.65	+12.59	+4.42
Other information			
Closing NAV (¥'000)	4,749,409	3,736,960	2,719,343
Number of shares	19,996,909	17,205,925	16,191,195
Highest share price (UK p)	125.11	122.17	109.03
Lowest share price (UK p)	112.85	98.72	92.31

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	345.57	314.37	309.33
Return before operating charges	24.04	41.31	15.49
Operating charges	(1.65)	(3.01)	(3.33)
Return after operating charges	22.39	38.30	12.16
Distributions	n/a	(7.10)	(7.12)
Closing NAV	367.96	345.57	314.37
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.06	0.14	0.17
Dilution adjustments	(0.05)	(0.09)	(0.12)
Total direct transaction costs	0.01	0.05	0.05
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.95	0.95	1.08
Return after charges	+6.48	+12.18	+3.93
Other information			
Closing NAV (¥'000)	77,596	71,512	54,566
Number of shares	111,147	111,842	107,735
Highest share price (UK p)	367.74	367.32	337.79
Lowest share price (UK p)	332.12	297.48	284.87

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	410.74	366.06	352.27
Return before operating charges	28.48	48.18	17.59
Operating charges	(1.95)	(3.50)	(3.80)
Return after operating charges	26.53	44.68	13.79
Distributions	n/a	(4.88)	(4.41)
Retained distributions	n/a	4.88	4.41
Closing NAV	437.27	410.74	366.06
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.08	0.16	0.20
Dilution adjustments	(0.06)	(0.10)	(0.13)
Total direct transaction costs	0.02	0.06	0.07
Performance and charges	%	%	%
Direct portfolio transaction costs	0.01	0.01	0.02
Operating charges	0.95	0.95	1.08
Return after charges	+6.46	+12.21	+3.91
Other information			
Closing NAV (¥'000)	612,181	551,951	407,247
Number of shares	737,887	726,266	690,533
Highest share price (UK p)	437.01	427.80	384.61
Lowest share price (UK p)	394.68	346.47	324.36

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Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	¥'000	¥'000	¥'000	¥'000
Income				
Net capital gains/(losses)		3,691,583		1,896,251
Revenue	450,908		253,092	
Expenses	(141,319)		(78,885)	
Interest payable and similar charges	(1,375)		(712)	
Net revenue/(expense) before taxation	308,214		173,495	
Taxation	(45,083)		(25,306)	
Net revenue/(expense) after taxation		263,131		148,189
Total return before equalisation		3,954,714		2,044,440
Equalisation		9,338		28,283
Change in net assets attributable to shareholders from investment activities		3,964,052		2,072,723

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	¥'000	¥'000	¥'000	¥'000
Opening net assets attributable to shareholders		36,899,891		20,655,349
Amounts received on issue of shares	8,569,167		5,132,962	
Amounts paid on cancellation of shares	(5,037,805)		(1,745,493)	
		3,531,362		3,387,469
Dilution adjustments		20,968		11,565
Change in net assets attributable to shareholders from investment activities (see above)		3,964,052		2,072,723
Unclaimed distributions		17		5
Closing net assets attributable to shareholders		44,416,290		26,127,111

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

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Balance sheet

as at	29 February 2024 ¥'000	31 August 2023 ¥'000
Assets		
Fixed assets		
Investments	43,139,962	36,138,392
Current assets		
Debtors	2,795,176	852,999
Cash and bank balances	148,181	617,962
Total assets	46,083,319	37,609,353
Liabilities		
Creditors		
Distribution payable	0	(155,269)
Other creditors	(1,667,029)	(554,193)
Total liabilities	(1,667,029)	(709,462)
Net assets attributable to shareholders	44,416,290	36,899,891

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

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For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

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 the S&P 500 Index over any five-year period; and
- To provide an income stream that increases every year in USD terms.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity-related securities of companies across any sector and market capitalisation that are incorporated, domiciled or do most of their business in the US and Canada. The fund usually holds a concentrated portfolio of fewer than 50 companies.

The fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The fund manager aims to create a diversified portfolio with exposure to a broad range of sectors.

Companies with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Benchmark

Benchmark: S&P 500 Index.

The benchmark is a target which the fund seeks to outperform. 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 fund 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.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

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Investment review

For the six months ended 29 February 2024

Distribution summary

Over the six-month review period to 29 February 2024, the fund distributed income of 19.9299 pence per Sterling Class 'A' Income share. This represents a -2.7% decrease from the equivalent period last year. The Sterling Class 'I' Income share distributed 24.6250 pence, which is -2.8% lower than the payment made at this stage a year ago. In US dollars, the currency in which the fund's income objective is determined, the distribution rose 1.1% from last year for both the Sterling Class 'A' Income share and the Sterling Class 'I' Income share.

Despite ongoing concerns about persistent inflation and the impact of higher interest rates on the broader economy, the momentum in US dividends continued during the six months under review. Dividends provide a strong signal of corporate confidence, and corporate America remains resolute in its optimism. (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.)

Against this backdrop, the fund benefited from higher dividends across a range of sectors. In contrast to previous years when the majority of holdings delivered dividend increases in the region of 5-15%, we continued to see an unusually high number of companies raising their dividends by 15% or more.

We have been encouraged by the robust dividend growth from the fund's largest holdings, many of which are technology-related companies. Microsoft extended its long sequence of dividend growth with a 10% increase, while Broadcom raised its dividend by 14% in semiconductors. Visa and Mastercard boosted their dividends by 16% in digital payments. Equinix accounted for the biggest increase during the review period as the data centre company raised its dividend by 25%.

Financials provided another source of impressive growth, led by Ares Management which rewarded

shareholders with a 21% dividend hike. American Express and Arthur J Gallagher raised their dividends in the core 5-15% range, while Progressive announced a special dividend.

Healthcare continued to offer reliable growth among the defensive sectors, with Elevance Health, Thermo Fisher Scientific and Zoetis reporting double-digit increases. In utilities, NextEra Energy raised its dividend by 10%, in line with previous years. In consumer staples, Costco Wholesale surprised the market with a special dividend. (Defensive stocks are companies that tend to have stable earnings and are less affected by peaks and troughs in the economy.)

Strong dividend growth was also apparent in more economically sensitive sectors. The recent purchases of Sherwin-Williams, Rollins and Trane Technologies, which all have exposure to the housing market, reported double-digit increases. Schlumberger raised its dividend by 10% in energy.

There were no dividend cuts during the six months under review, but a handful of holdings delivered more modest levels of growth. The low single-digit increases from BlackRock and S&P Global in financials, and Air Products and Chemicals in materials, have scope to improve. We expect these outliers to step up the pace of dividend growth at the appropriate time.

We are pleased that the majority of the fund's holdings continued to deliver solid, and in some cases spectacular, dividend growth, but remain vigilant about the outlook in light of the uncertainties in the US economy. Balance sheet strength is a key consideration in our company research to ensure that dividends can be sustained in the current climate. We take comfort from the fact that many of our holdings are carrying net cash. While caution is prudent, we continue to believe that the fund is well placed to deliver on its objective of providing a rising income stream.

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the fund delivered a positive total return (the combination of income and

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growth of capital) across all its share classes and outperformed the S&P 500 Index, which returned 14.1% in sterling.

Over five years, the fund generated positive returns across all its share classes, but lagged behind the S&P 500 Index which delivered an annualised return of 15.9% in sterling. Therefore the fund did not meet the objective of providing a higher total return, net of the ongoing charge figure, than that of the S&P 500 Index over any five-year period.

The fund is on track to deliver on the objective of growing the distribution every year in US dollars. The growth in distributed income for the Sterling Class 'A' Income share and the Sterling Class 'I' Income share was 1.1% in US dollars during the first six months of the financial year.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

The US stockmarket rose during the six-month review period, with the major indices – the S&P 500 Index, Dow Jones Industrial Average and the NASDAQ Composite Index – reaching all-time highs. The new economy dominated the leaderboard, with NVIDIA, the standard bearer for Artificial Intelligence (AI), and Meta Platforms, the owner of Facebook, surging more than 60% in technology and communication services, respectively. Financials outperformed, led by a strong rally in banks, while other sectors with greater economic sensitivity struggled: industrials and materials were left behind in a rising market, while energy ended the review period with a negative return. Defensive stocks remained out of favour: utilities, consumer staples and healthcare underperformed.

Against this backdrop, the fund generated a positive return and outperformed its benchmark, the S&P 500 Index. Stock selection was the key driver of excess return, with the strongest contribution from technology. Broadcom was the standout performer as the semiconductor company was seen as a potential beneficiary of the structural growth in AI. The shares

returned more than 40% and climbed to a record high. Microsoft, another large holding, added value in software.

American Express delivered strong gains in financials, while Equifax, a credit bureau, performed in a similar vein.

The fund's limited exposure to NVIDIA and Meta Platforms provided the biggest drag on performance relative to the S&P 500 Index. We invested in these new economy bellwethers for the first time during the six months under review, although the fund's weightings in these companies fall short of their representation in the S&P 500: NVIDIA has an established dividend track record, while Meta Platforms became a potential investment candidate on the announcement of its maiden dividend.

Not owning Amazon.com and Advanced Micro Devices (AMD) also held back performance relative to the benchmark. Amazon and AMD do not pay dividends and are therefore ineligible for our dividend growth strategy.

Defensive stocks featured prominently among the detractors owing to market sentiment: NextEra Energy and UnitedHealth underperformed in utilities and healthcare, respectively. The long-term investment case, based on fundamentals, remains unchanged. Air Products and Chemicals declined due to scepticism about the industrial gases company's ability to deliver on its strategic plan. The execution of the plan has not been smooth, but the long-term growth opportunity remains intact, in our view.

Investment activities

We made six new purchases and three complete sales during the six-month review period, a level of turnover consistent with our long-term investment horizon of three to five years. The number of holdings increased to 47.

We invested in Rollins and Sherwin-Williams as potential beneficiaries of a recovery in the housing market, supplemented by Canadian Pacific Kansas City which provides further exposure to economic sensitivity

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by way of railroads. The new holdings in NVIDIA and Meta Platforms diversify our exposure to the new economy, funded by profit-taking in strong performers including Broadcom and Microsoft. Ares Management, the final purchase during the review period, provides access to the structural growth in alternative investments.

Sysco, Mondelēz International and Estee Lauder, all in consumer staples, were sold as a source of cash for better ideas. We also trimmed our semiconductor exposure, most notably KLA and Lam Research following their strong run, and reduced our holding in Air Products and Chemicals.

We bought more NextEra Energy and Rexford Industrial Realty on weakness after negative sentiment took their toll on utilities and real estate investment trusts (REITs). We believe that concerns about interest-rate sensitivity were overdone and that the subsequent de-rating provided an attractive entry point for reliable companies exposed to structural growth trends.

Outlook

Market expectations have turned dramatically, with fears of rampant inflation quickly replaced by a broad consensus that interest rates have peaked and that the Federal Reserve will embark upon a series of cuts in 2024 to deliver a soft landing. The narrative of 'higher for longer' has shifted from 'how high?' to 'how long?' with implications for investment opportunities.

We have been focusing our attention on companies hurt by rising rates, but not higher rates, with a particular focus on companies exposed to a potential recovery in the housing market. Our recent purchases of Pool Corp, Trane Technologies and Sherwin-Williams, as well as the more established holding of Equifax, are potential beneficiaries of this theme, with the prospect of structural growth and cyclical growth which is not fully appreciated by the market, in our view.

We are also excited about quality companies, where valuations were, until recently, the cheapest they have ever been. We have been adding selectively to companies we see as long-term winners including Equinix, NextEra Energy and Rexford Industrial Realty.

We retain our conviction in our semiconductor holdings, which have been excellent performers and continue to represent a significant exposure in the fund. The upside potential is not as considerable as it once was after their strong run, and consequently, we have been reducing our holdings, particularly those with minimal exposure to the structural growth in AI. Valuation remains a critical aspect of our company analysis to ensure that we do not overpay for the growth we seek.

We continue to believe that the majority of our holdings can sustain dividend growth in the 5-15% range over the long term, while offering an attractive yield. We are undeterred in our pursuit of dividend growth and remain committed to its viability not only as a source of rising income, but also as a total return strategy in the US market over the long term.

John Weavers

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities	980,024	98.39	99.49
Energy equipment & services	10,254	1.03	1.56
213,412 Schlumberger	10,254	1.03	
Oil, gas & consumable fuels	24,190	2.43	1.91
859,553 Gibson Energy	14,015	1.41	
136,829 ONEOK	10,175	1.02	
Chemicals	32,299	3.24	4.86
61,348 Air Products & Chemicals	14,225	1.43	
286,385 Methanex	12,871	1.29	
15,801 Sherwin-Williams	5,203	0.52	
Building products	6,567	0.66	0.52
23,179 Trane Technologies	6,567	0.66	
Trading companies & distributors	3,350	0.34	0.37
8,540 Pool	3,350	0.34	
Commercial services & supplies	10,245	1.03	0.00
235,772 Rollins	10,245	1.03	
Professional services	13,812	1.39	1.80
51,818 Equifax	13,812	1.39	
Transportation infrastructure	9,395	0.94	0.00
110,840 Canadian Pacific Kansas City	9,395	0.94	
Textiles, apparel & luxury goods	10,170	1.02	1.82
72,488 NIKE	7,543	0.76	
160,597 VF	2,627	0.26	
Speciality retail	29,754	2.99	3.84
57,956 Lowe's	13,810	1.39	
63,281 Tractor Supply	15,944	1.60	
Food & staples retailing	10,676	1.07	1.94
14,278 Costco Wholesale	10,676	1.07	
Food products	0	0.00	0.54
Personal products	0	0.00	0.41
Health care providers & services	70,688	7.10	6.73
50,846 Elevance Health	25,547	2.57	
90,961 UnitedHealth	45,141	4.53	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Pharmaceuticals			
141,614 Merck	18,146	1.82	
37,719 Zoetis	7,533	0.76	
Life sciences tools & services			
43,372 Thermo Fisher Scientific	24,760	2.49	2.69
Banks			
139,401 JPMorgan Chase	25,686	2.58	2.60
Consumer finance			
112,628 American Express	24,515	2.46	2.27
Capital markets			
75,625 Ares Management	9,909	0.99	
49,051 BlackRock	39,620	3.98	
33,824 S&P Global	14,504	1.46	
Insurance			
90,258 Arthur J Gallagher	22,175	2.23	
64,332 Progressive	12,358	1.24	
IT services			
37,429 Accenture	14,142	1.42	
160,616 Mastercard	76,882	7.72	
215,082 Visa	61,394	6.16	
Software			
24,627 Intuit	16,208	1.63	
216,438 Microsoft	87,396	8.77	
Communications equipment			
31,019 Motorola Solutions	10,265	1.03	1.02
Electronic equipment, instruments & components			
25,896 CDW	6,329	0.63	0.62
Semiconductors & semiconductor equipment			
65,101 Broadcom	83,711	8.40	
6,220 KLA	4,169	0.42	
13,060 Lam Research	12,020	1.21	
15,581 NVIDIA	12,062	1.21	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Semiconductors & semiconductor equipment (continued)			
43,750 NXP Semiconductors	10,644	1.07	
103,906 QUALCOMM	16,164	1.62	
	26,711	2.68	3.07
Diversified telecommunication services			
331,455 Cogent Communications	26,711	2.68	
	18,304	1.84	0.00
Interactive media & services			
37,910 Meta	18,304	1.84	
	22,552	2.26	1.64
Electric utilities			
411,060 NextEra Energy	22,552	2.26	
	70,465	7.07	6.94
Equity real estate investment trusts (REITs)			
126,324 American Tower	24,414	2.45	
28,614 Equinix	25,415	2.55	
408,350 Rexford Industrial Realty	20,636	2.07	
Portfolio of investments	980,024	98.39	99.49
Share class hedging			
	(37)	0.00	0.00
Forward currency contracts for share class hedging			
	(37)	0.00	0.00
£131,895 Bought for C\$226,189 (expires 27.03.24)	0	0.00	
£10,295,655 Bought for US\$13,063,649 (expires 27.03.24)	(37)	0.00	
£(47,905) Sold for US\$60,758 (expires 27.03.24)	0	0.00	
Total portfolio	979,987	98.39	99.49
Net other assets/(liabilities)	16,060	1.61	0.51
Net assets attributable to shareholders	996,047	100.00	100.00

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

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	\$'000
Meta	17,633
NextEra Energy	12,345
Ares Management	9,805
NVIDIA	9,718
Rollins	9,157
UnitedHealth	8,974
Canadian Pacific Kansas City	8,775
Rexford Industrial Realty	8,593
Progressive	6,099
Equinix	5,874
Other purchases	65,219
Total purchases	162,192

Largest sales	\$'000
Broadcom	11,853
Mastercard	9,684
Air Products & Chemicals	9,628
KLA	8,927
Lam Research	7,054
Sysco	6,499
Microsoft	5,862
Equifax	4,601
VF	4,489
Mondelēz International	4,447
Other sales	30,153
Total sales	103,197

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+15.5	+15.0	+13.9	+14.1
Class 'A' Accumulation	+15.5	+15.0	+13.9	+14.1
Class 'I' Income	+15.7	+15.5	+14.5	+14.8
Class 'I' Accumulation	+15.7	+15.5	+14.5	+14.8
Class 'I-H' Income	+15.0	+10.6	n/a	n/a
Class 'I-H' Accumulation	+15.1	+10.6	n/a	n/a
Class 'PP' Income	+15.8	+15.6	n/a	n/a
Class 'PP' Accumulation	+15.7	+15.6	n/a	n/a
Class 'PP-H' Income	+15.1	+10.7	n/a	n/a
Class 'PP-H' Accumulation	+15.1	+10.7	n/a	n/a
Class 'R' Income	+15.5	+15.2	+14.2	+14.4
Class 'R' Accumulation	+15.5	+15.2	+14.2	+14.5
Benchmark	+14.1	+15.7	+15.9	+15.9

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 28 March 1977.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,056.67	3,020.34	2,809.30
Return before operating charges	484.20	117.63	285.86
Operating charges	(17.09)	(29.87)	(27.88)
Return after operating charges	467.11	87.76	257.98
Distributions	(19.93)	(51.43)	(46.94)
Closing NAV	3,503.85	3,056.67	3,020.34
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.21	0.46	0.60
Dilution adjustments	(0.11)	(0.28)	(0.38)
Total direct transaction costs	0.10	0.18	0.22
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	1.05	1.01	0.95
Return after charges	+15.28	+2.91	+9.18
Other information			
Closing NAV (\$'000)	111,778	98,777	103,018
Number of shares	2,521,760	2,548,533	2,936,311
Highest share price (UK p)	3,516.37	3,110.16	3,182.50
Lowest share price (UK p)	2,961.86	2,731.87	2,691.01

Sterling Class 'A' Accumulation share performance

The share class was launched on 18 December 1972.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	4,593.15	4,461.06	4,083.98
Return before operating charges	729.48	176.26	417.58
Operating charges	(25.72)	(44.17)	(40.50)
Return after operating charges	703.76	132.09	377.08
Distributions	(12.24)	(35.44)	(26.17)
Retained distributions	12.24	35.44	26.17
Closing NAV	5,296.91	4,593.15	4,461.06
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.32	0.68	0.88
Dilution adjustments	(0.16)	(0.42)	(0.55)
Total direct transaction costs	0.16	0.26	0.33
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	1.05	1.01	0.95
Return after charges	+15.32	+2.96	+9.23
Other information			
Closing NAV (\$'000)	107,626	96,731	134,662
Number of shares	1,606,154	1,660,877	2,598,674
Highest share price (UK p)	5,300.55	4,610.04	4,669.69
Lowest share price (UK p)	4,450.78	4,035.58	3,923.81

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,773.62	3,714.05	3,440.82
Return before operating charges	598.59	145.41	350.74
Operating charges	(13.26)	(22.33)	(19.79)
Return after operating charges	585.33	123.08	330.95
Distributions	(24.63)	(63.51)	(57.72)
Closing NAV	4,334.32	3,773.62	3,714.05
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.27	0.57	0.74
Dilution adjustments	(0.13)	(0.35)	(0.47)
Total direct transaction costs	0.14	0.22	0.27
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.65	0.61	0.55
Return after charges	+15.51	+3.31	+9.62
Other information			
Closing NAV (\$'000)	201,416	180,400	175,906
Number of shares	3,673,382	3,770,130	4,077,324
Highest share price (UK p)	4,349.81	3,831.22	3,913.03
Lowest share price (UK p)	3,658.71	3,360.96	3,302.38

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	4,499.06	4,352.28	3,968.50
Return before operating charges	715.58	173.08	406.71
Operating charges	(15.89)	(26.30)	(22.93)
Return after operating charges	699.69	146.78	383.78
Distributions	(19.33)	(51.53)	(42.99)
Retained distributions	19.33	51.53	42.99
Closing NAV	5,198.75	4,499.06	4,352.28
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.32	0.67	0.86
Dilution adjustments	(0.16)	(0.41)	(0.54)
Total direct transaction costs	0.16	0.26	0.32
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.65	0.61	0.55
Return after charges	+15.55	+3.37	+9.67
Other information			
Closing NAV (\$'000)	457,327	334,517	299,227
Number of shares	6,953,777	5,863,761	5,918,724
Highest share price (UK p)	5,202.29	4,505.53	4,555.25
Lowest share price (UK p)	4,362.14	3,939.04	3,820.27

Financial highlights

Sterling Class 'I-H' Income share performance

The share class was launched on 6 December 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	130.80	120.57	133.48
Return before operating charges	19.84	13.16	(10.12)
Operating charges	(0.48)	(0.79)	(0.76)
Return after operating charges	19.36	12.37	(10.88)
Distributions	(0.85)	(2.14)	(2.03)
Closing NAV	149.31	130.80	120.57
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	0.00	(0.01)	(0.02)
Total direct transaction costs	0.01	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.68	0.64	0.58
Return after charges	+14.80	+10.26	-8.15
Other information			
Closing NAV (\$'000)	113	77	57
Number of shares	59,956	46,244	40,956
Highest share price (UK p)	150.23	133.19	144.68
Lowest share price (UK p)	120.98	104.09	114.28

Sterling Class 'I-H' Accumulation share performance

The share class was launched on 6 December 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	139.81	126.63	137.90
Return before operating charges	21.37	14.03	(10.48)
Operating charges	(0.51)	(0.85)	(0.79)
Return after operating charges	20.86	13.18	(11.27)
Distributions	(0.58)	(1.52)	(1.31)
Retained distributions	0.58	1.52	1.31
Closing NAV	160.67	139.81	126.63
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	0.00	(0.01)	(0.02)
Total direct transaction costs	0.01	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.68	0.64	0.58
Return after charges	+14.92	+10.41	-8.17
Other information			
Closing NAV (\$'000)	5,521	4,799	2,068
Number of shares	2,716,188	2,707,268	1,406,052
Highest share price (UK p)	161.18	141.40	149.94
Lowest share price (UK p)	129.35	109.34	119.22

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 5 August 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	138.75	136.40	126.25
Return before operating charges	22.03	5.35	12.88
Operating charges	(0.42)	(0.69)	(0.60)
Return after operating charges	21.61	4.66	12.28
Distributions	(0.91)	(2.31)	(2.13)
Closing NAV	159.45	138.75	136.40
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	0.00	(0.01)	(0.02)
Total direct transaction costs	0.01	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.55	0.51	0.45
Return after charges	+15.57	+3.42	+9.73
Other information			
Closing NAV (\$'000)	60,716	49,619	43,168
Number of shares	30,100,636	28,202,521	27,245,938
Highest share price (UK p)	160.02	140.77	143.72
Lowest share price (UK p)	134.55	123.45	121.22

Sterling Class 'PP' Accumulation share performance

The share class was launched on 8 April 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	160.48	155.09	141.27
Return before operating charges	25.53	6.18	14.49
Operating charges	(0.48)	(0.79)	(0.67)
Return after operating charges	25.05	5.39	13.82
Distributions	(0.75)	(1.99)	(1.69)
Retained distributions	0.75	1.99	1.69
Closing NAV	185.53	160.48	155.09
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	(0.01)	(0.01)	(0.02)
Total direct transaction costs	0.00	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.55	0.51	0.45
Return after charges	+15.61	+3.48	+9.78
Other information			
Closing NAV (\$'000)	23,355	16,093	14,757
Number of shares	9,950,565	7,908,640	8,191,130
Highest share price (UK p)	185.66	160.62	162.32
Lowest share price (UK p)	155.62	140.38	136.07

Financial highlights

Sterling Class 'PP-H' Income share performance

The share class was launched on 6 December 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	131.77	121.36	134.23
Return before operating charges	20.04	13.24	(10.18)
Operating charges	(0.41)	(0.67)	(0.64)
Return after operating charges	19.63	12.57	(10.82)
Distributions	(0.86)	(2.16)	(2.05)
Closing NAV	150.54	131.77	121.36
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	0.00	(0.01)	(0.02)
Total direct transaction costs	0.01	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.58	0.54	0.48
Return after charges	+14.90	+10.36	-8.06
Other information			
Closing NAV (\$'000)	38	34	28
Number of shares	20,150	20,150	20,150
Highest share price (UK p)	151.46	134.17	145.54
Lowest share price (UK p)	121.88	104.79	115.02

Sterling Class 'PP-H' Accumulation share performance

The share class was launched on 6 December 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	140.42	127.01	138.26
Return before operating charges	21.45	14.14	(10.62)
Operating charges	(0.44)	(0.73)	(0.63)
Return after operating charges	21.01	13.41	(11.25)
Distributions	(0.64)	(1.64)	(1.43)
Retained distributions	0.64	1.64	1.43
Closing NAV	161.43	140.42	127.01
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.01	0.02	0.03
Dilution adjustments	0.00	(0.01)	(0.02)
Total direct transaction costs	0.01	0.01	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.58	0.54	0.48
Return after charges	+14.96	+10.56	-8.14
Other information			
Closing NAV (\$'000)	7,670	5,821	863
Number of shares	3,755,864	3,269,648	584,937
Highest share price (UK p)	161.95	142.00	150.32
Lowest share price (UK p)	129.92	109.70	119.58

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	369.57	364.63	338.64
Return before operating charges	58.56	14.23	34.49
Operating charges	(1.78)	(3.08)	(2.83)
Return after operating charges	56.78	11.15	31.66
Distributions	(2.41)	(6.21)	(5.67)
Closing NAV	423.94	369.57	364.63
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.06	0.07
Dilution adjustments	(0.01)	(0.03)	(0.05)
Total direct transaction costs	0.02	0.03	0.02
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.90	0.86	0.80
Return after charges	+15.36	+3.06	+9.35
Other information			
Closing NAV (\$'000)	2,887	2,442	2,233
Number of shares	538,277	521,220	527,221
Highest share price (UK p)	425.46	375.72	384.19
Lowest share price (UK p)	358.18	329.86	324.62

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	437.52	424.30	387.86
Return before operating charges	69.52	16.82	39.69
Operating charges	(2.11)	(3.60)	(3.25)
Return after operating charges	67.41	13.22	36.44
Distributions	(1.43)	(3.98)	(3.14)
Retained distributions	1.43	3.98	3.14
Closing NAV	504.93	437.52	424.30
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.07	0.08
Dilution adjustments	(0.02)	(0.04)	(0.05)
Total direct transaction costs	0.01	0.03	0.03
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.01	0.01
Operating charges	0.90	0.86	0.80
Return after charges	+15.41	+3.12	+9.40
Other information			
Closing NAV (\$'000)	17,600	15,258	13,673
Number of shares	2,755,259	2,750,284	2,774,189
Highest share price (UK p)	505.28	438.76	444.12
Lowest share price (UK p)	424.05	383.90	372.92

Financial statements and notes

Financial statements

Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		120,714		16,391
Revenue	7,807		7,683	
Expenses	(2,688)		(2,588)	
Interest payable and similar charges	0		0	
Net revenue/(expense) before taxation	5,119		5,095	
Taxation	(1,089)		(1,142)	
Net revenue/(expense) after taxation		4,030		3,953
Total return before distributions		124,744		20,344
Distributions		(3,967)		(4,309)
Change in net assets attributable to shareholders from investment activities		120,777		16,035

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		804,568		789,660
Amounts received on issue of shares	97,706		44,298	
Amounts paid on cancellation of shares	(29,060)		(41,538)	
		68,646		2,760
Dilution adjustments		45		38
Change in net assets attributable to shareholders from investment activities (see above)		120,777		16,035
Retained distributions on Accumulation shares		1,994		2,045
Unclaimed distributions		17		21
Closing net assets attributable to shareholders		996,047		810,559

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	29 February 2024 \$'000	31 August 2023 \$'000
Assets		
Fixed assets		
Investments	980,024	800,479
Current assets		
Debtors	4,825	2,749
Cash and bank balances	671	1,653
Cash equivalents	13,347	3,972
Total assets	998,867	808,853
Liabilities		
Investment liabilities	(37)	(14)
Creditors		
Distribution payable	(1,087)	(2,280)
Other creditors	(1,696)	(1,991)
Total liabilities	(2,820)	(4,285)
Net assets attributable to shareholders	996,047	804,568

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 dividend flow to shareholders, interim distributions will be at the fund manager's discretion, up to the maximum of the distributable income available for the period.

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

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 28 November 2023 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the S&P 500 Index, over any five-year period.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity related securities of companies across any sectors and market capitalisations that are incorporated, domiciled, or do most of their business activity in the United States of America and Canada.

The fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G).

The fund may also hold cash and near cash for liquidity purposes.

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach identifies shares of North American companies which, in the fund manager's opinion at the time of investment, are undervalued.

When analysing companies, the fund manager seeks to identify companies that are mispriced, while trying to avoid companies that are cheap for a reason and whose share prices are unlikely to improve over time.

The investment approach combines strict value-focused screening with rigorous qualitative analysis to ensure the fund has a consistent and disciplined value bias without compromising on the robustness of the companies in the portfolio.

The fund manager expects the overall stock selection and value style to be the main drivers of performance rather than any individual sector or stock.

Benchmark

Benchmark: S&P 500 Index.

The benchmark is a target which the fund seeks to outperform. 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 fund 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.

For unhedged and hedged share classes, the benchmark is shown in the share class currency.

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 Sterling Class 'A' shares.



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.

Authorised Corporate Director's Report

Investment review

For the six months ended 29 February 2024

Performance against objective

Between 1 September 2023 (the start of the review period) and 29 February 2024, the fund's sterling share classes delivered a positive total return (the combination of income and growth of capital). However, the fund underperformed the benchmark, the S&P 500 Index, which advanced 14.1% in the review period.

Over five years, the fund generated a positive return but trailed its benchmark, which returned 15.9% pa over this period. Therefore, the fund did not meet its objective of providing a higher total return, net of the ongoing charge figure, than the S&P 500 Index over any five-year period.

For much of the past decade the 'value' investment style (investing in cheaper, out-of-favour stocks) has struggled to keep pace with the broader market. The fund's underperformance over the past five years was largely due to the significant headwind from its value investing approach, due in part to the rally in large-cap technology stocks in 2023.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

US equity markets fell in September and October amid concerns over higher-for-longer interest rates. The outbreak of the Israel-Hamas conflict in October further dampened sentiment. This weaker growth environment was supportive for the fund's value investment style.

However, the decline was followed by a powerful two-month rally: as inflation eased and the US Federal Reserve adopted a more dovish tone, markets finished 2023 on a high. Positive economic data raised hopes of a soft landing for the economy, and investors began anticipating interest rate cuts as early as the spring. These expectations were revised in the new year on stickier-than-expected inflation – but US equities continued to thrive thanks to strong corporate earnings, with markets recording new highs in February. Stock-

market performance was spearheaded by major technology companies, whose share prices surged on relentless demand for Artificial Intelligence (AI).

The S&P 500 gained 14.1% (in US dollar terms) during the review period, outperformed only by the more technology-weighted Nasdaq. In a market dominated by growth stocks, the fund's value bias worked against it, resulting in below-benchmark returns. 2023 was particularly challenging for the 'value' investment style and much of this can be attributed to the rally in the so-called 'magnificent seven' stocks (a group of large-cap technology stocks) some of which are not eligible for us to hold in the fund.

Stock selection was the biggest detractor from relative performance. The impact was most noticeable in healthcare (Pfizer and Bristol-Myers Squibb both disappointed). Our holding in Cisco Systems, a technology stock, also detracted from relative performance, following warnings of a demand slowdown from its enterprise customers. Selection in communications and consumer staples was a further drag, with detractors including Warner Bros Discovery, whose price slumped after it missed its fourth quarter profit and revenue targets and failed to provide free cash-flow guidance for 2024. However, our choices in utilities and financials proved beneficial. Our stock selection in the banking sector was particularly favourable over the period, with JP Morgan Chase, Wells Fargo and Citigroup contributing to the fund's performance in absolute terms.

Sector allocation also contributed negatively, the main detractor being the fund's below-benchmark (underweight) exposure to technology. Above benchmark positions (overweight) in consumer staples also detracted, although we benefited from an overweight position in communication services and an underweight in consumer discretionary.

While the 'magnificent seven' technology names dominated headlines, not all of them made gains. As growth concerns at Apple and weak earnings at Tesla drove their share prices down, our lack of exposure to these was the biggest driver of relative performance.

Authorised Corporate Director's Report

On the other hand, we benefitted from holding Meta, whose price soared on record results. Constellation Energy, where the fund is overweight, was another strong performer.

Zero exposure to Nvidia, Microsoft and Amazon detracted most as the value of these stocks soared. The holdings in Bristol-Myers Squibb, Pfizer and Cisco also weighed on performance.

Investment activities

We took advantage of weak markets early in the period to start some new positions, including healthcare group Kenvue (a carve-out from Johnson & Johnson), retailer Best Buy, Canadian miner Champion Iron and crude oil tanker operator DHT. Later, we bought QUALCOMM, a handset chip maker (smartphone demand appearing to have bottomed), and DIY retailer Lowes, anticipating a pickup in home improvement activity.

So far in 2024, we have opened new positions in US medical device maker Zimmer Biomet, where we see an undervalued growth opportunity, and Fabrinet, which makes a range of subcomponents which supplies Nvidia's end products.

We exited a number of positions in order to lock in good performance – these included FedEx, Stryker, General Electric and KLA (which supplies the semiconductor industry). We also took the opportunity to sell off Euronav, following a quasi-takeover by its second-largest shareholders, and closed positions in Fortrea a pharmacology company which has disappointed, as well as closing positions in DXC Technology and Truist Financial.

Outlook

Although growth stocks remain in favour, we believe the value investment style still offers significant opportunities for active, selective investors. Interest rate cuts still look likely in 2024, but it's hard to predict with confidence when they will materialise, particularly as inflation remains stubbornly high particularly in the service industry. February 2024 inflation figures, whilst in line with expectations, were marginally higher than the previous month suggesting that it will take some time for inflation to reach the central banks' 2% target,

this may delay any rate cuts from the Fed, which in turn may create uncertainty in the markets.

Meanwhile, current geopolitical uncertainty and this year's US election could impact the macroeconomic picture. We therefore favour investments underpinned by structural drivers, rather than cyclical or economically sensitive names. We continue to focus on balance sheet strength of the companies within our portfolio as we believe these are better placed to weather economic uncertainty. Instead of a small basket of outperformers, our focus is on long-term themes such as innovation, infrastructure and a low-carbon economy.

Daniel White

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 on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities	322,058	97.55	98.13
Oil, gas & consumable fuels	17,770	5.38	6.10
43,607 Chevron	6,638	2.01	
41,594 Cobalt International Energy ^a	0	0.00	
49,667 ConocoPhillips	5,561	1.68	
138,624 DHT	1,483	0.45	
15,540 Hess	2,260	0.69	
303,375 Kosmos Energy	1,828	0.55	
Chemicals	1,699	0.51	0.94
33,240 FMC	1,699	0.51	
Construction materials	3,789	1.15	1.18
15,134 Eagle Materials	3,789	1.15	
Containers & packaging	3,586	1.09	0.86
79,595 Westrock	3,586	1.09	
Metals & mining	12,033	3.64	3.19
389,303 Champion Iron	1,891	0.57	
658,446 Lundin Mining	5,101	1.55	
31,289 Newmont	933	0.28	
31,035 Steel Dynamics	4,108	1.24	
Aerospace & defence	2,367	0.72	0.00
80,210 Spirit AeroSystems	2,367	0.72	
Building products	3,232	0.98	1.36
21,585 Owens Corning	3,232	0.98	
Industrial conglomerates	3,262	0.99	1.28
35,781 3M	3,262	0.99	
Machinery	8,698	2.63	2.72
14,574 Caterpillar	4,785	1.45	
35,788 Oshkosh	3,913	1.18	
Professional services	1,890	0.57	0.69
26,010 ManpowerGroup	1,890	0.57	
Air freight & logistics	0	0.00	0.84
Airlines	4,825	1.46	1.37
140,867 Southwest Airlines	4,825	1.46	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Road & rail			
133,070 CSX	5,009	1.52	
Auto components			
32,011 Magna International	1,749	0.53	
Automobiles			
97,914 General Motors	3,964	1.20	
Leisure products			
19,803 Brunswick	1,707	0.52	
Textiles, apparel & luxury goods			
60,934 Tapestry	2,898	0.88	
205,380 VF	3,360	1.02	
Speciality retail			
45,154 Best Buy	3,588	1.09	
83,099 eBay	3,970	1.20	
15,670 Lowe's	3,734	1.13	
Food & staples retailing			
119,311 Kroger	5,790	1.75	
Beverages			
74,089 Coca-Cola Europacific Partners	5,149	1.56	
74,044 Molson Coors Beverage	4,652	1.41	
Food products			
64,588 Mondelēz International	4,711	1.43	
Tobacco			
87,857 Altria	3,595	1.09	
Household products			
72,466 Energizer	2,065	0.63	
Personal products			
152,578 Coty	1,957	0.59	
238,739 Kenvue	4,553	1.38	
Health care equipment & supplies			
31,902 GE Healthcare	2,959	0.90	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Health care equipment & supplies (continued)			
56,097 Medtronic	4,672	1.41	
19,402 Zimmer Biomet	2,403	0.73	
Health care providers & services	5,804	1.76	2.57
8,647 Elevance Health	4,344	1.32	
6,810 LabCorp	1,460	0.44	
Biotechnology	6,508	1.97	1.10
36,551 AbbVie	6,508	1.97	
Pharmaceuticals	24,497	7.42	7.85
103,960 Bristol-Myers Squibb	5,283	1.60	
53,404 Johnson & Johnson	8,622	2.61	
39,513 Merck	5,063	1.53	
75,556 Organon	1,337	0.41	
155,358 Pfizer	4,192	1.27	
Life sciences tools & services	0	0.00	0.06
Banks	19,787	5.99	5.81
83,986 Citigroup	4,615	1.40	
51,215 JPMorgan Chase	9,437	2.86	
105,154 Wells Fargo	5,735	1.73	
Diversified financial services	2,874	0.87	0.88
42,369 Voya Financial	2,874	0.87	
Capital markets	4,434	1.34	0.70
67,708 Charles Schwab	4,434	1.34	
Insurance	14,351	4.35	3.74
55,459 Hartford Financial Services	5,302	1.61	
21,551 Reinsurance Group of America	3,832	1.16	
18,952 Willis Towers Watson	5,217	1.58	
IT services	7,846	2.38	3.43
29,193 Fiserv	4,315	1.31	
58,678 PayPal	3,531	1.07	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Software	9,506	2.88	3.86
24,633 Check Point Software Technologies	3,991	1.21	
49,675 Oracle	5,515	1.67	
Communications equipment	5,355	1.62	2.21
111,736 Cisco Systems	5,355	1.62	
Technology hardware, storage & peripherals	5,765	1.75	2.34
38,747 Seagate Technology	3,561	1.08	
39,235 Western Digital	2,204	0.67	
Electronic equipment, instruments & components	6,703	2.03	0.59
21,675 Fabrinet	4,415	1.34	
105,023 Vishay Intertechnology	2,288	0.69	
Semiconductors & semiconductor equipment	20,346	6.16	4.44
148,479 Amkor Technology	4,485	1.36	
133,319 Intel	5,582	1.69	
39,309 Micron Technology	3,519	1.06	
43,453 QUALCOMM	6,760	2.05	
Diversified telecommunication services	4,689	1.42	0.96
117,058 Verizon Communications	4,689	1.42	
Media	3,801	1.15	1.89
90,329 Comcast	3,801	1.15	
Entertainment	1,966	0.60	0.99
226,978 Warner Bros Discovery	1,966	0.60	
Interactive media & services	24,562	7.44	8.67
91,819 Alphabet	12,500	3.79	
24,983 Meta	12,062	3.65	
Electric utilities	9,877	2.99	3.39
33,476 Constellation Energy	5,727	1.73	
115,804 Exelon	4,150	1.26	
Independent power and renewable electricity producers	3,112	0.94	1.26
208,586 AES	3,112	0.94	

Portfolio statement

Investments (continued)

Holding	as at 29.02.24 \$'000	as at 29.02.24 %	as at 31.08.23 %
Equities (continued)			
Equity real estate investment trusts (REITs)	4,639	1.40	1.40
85,581 Highwoods Properties	2,025	0.61	
64,262 NNN	2,614	0.79	
Total portfolio	322,058	97.55	98.13
Net other assets/(liabilities)	8,081	2.45	1.87
Net assets attributable to shareholders	330,139	100.00	100.00

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

^a Delisted.

Portfolio statement

Top ten portfolio transactions for the six months to
29 February 2024

Largest purchases	\$'000
QUALCOMM	6,901
Kenvue	5,875
Fabrinet	5,320
Alphabet	4,551
Lowe's	3,990
Best Buy	3,874
AbbVie	3,401
Amkor Technology	3,239
Bristol-Myers Squibb	2,969
Zimmer Biomet	2,899
Other purchases	82,270
Total purchases	125,289

Largest sales	\$'000
Alphabet	9,846
Meta	6,903
JPMorgan Chase	4,387
Elevance Health	4,340
Comcast	3,620
Fiserv	3,276
Check Point Software Technologies	3,251
Coca-Cola Europacific Partners	3,102
Micron Technology	3,037
Constellation Energy	2,954
Other sales	98,757
Total sales	143,473

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 you may not get back the original amount you invested.

As different share 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, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share 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 'Specific share class performance' tables for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+8.7	+13.1	+9.5	+11.1
Class 'A' Accumulation	+8.7	+13.1	+9.5	+11.1
Class 'I' Income	+8.9	+13.5	+10.0	+11.8
Class 'I' Accumulation	+8.9	+13.5	+10.0	+11.8
Class 'PP' Income	+9.0	+13.6	n/a	n/a
Class 'PP' Accumulation	+9.0	+13.6	n/a	n/a
Class 'R' Income	+8.8	+13.2	+9.7	+11.5
Class 'R' Accumulation	+8.8	+13.2	+9.7	+11.5
Benchmark	+14.1	+15.7	+15.9	+15.9

^a Not annualised.

Specific share class performance

The following comparative tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV per share). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

'Operating charges' and 'Direct portfolio transaction costs' are calculated as a percentage of average net asset value. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current year figures.

The closing NAV per share shown may diverge from the highest and lowest share prices (used for dealing purposes) as at the balance sheet date due to accounting and valuation adjustments.

Financial highlights

Sterling Class 'A' Income share performance

The share class was launched on 1 July 2005.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	170.00	164.77	152.71
Return before operating charges	15.61	10.30	17.22
Operating charges	(0.83)	(1.61)	(1.53)
Return after operating charges	14.78	8.69	15.69
Distributions	n/a	(3.46)	(3.63)
Closing NAV	184.78	170.00	164.77
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.05	0.03
Dilution adjustments	(0.03)	(0.05)	(0.03)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.97	0.96	0.95
Return after charges	+8.69	+5.27	+10.27
Other information			
Closing NAV (\$'000)	106,590	98,434	90,880
Number of shares	45,597,526	45,665,044	47,481,084
Highest share price (UK p)	184.72	176.66	172.68
Lowest share price (UK p)	161.84	154.88	146.33

Sterling Class 'A' Accumulation share performance

The share class was launched on 1 July 2005.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	201.15	191.00	173.19
Return before operating charges	18.46	12.01	19.53
Operating charges	(0.99)	(1.86)	(1.72)
Return after operating charges	17.47	10.15	17.81
Distributions	n/a	(2.24)	(2.17)
Retained distributions	n/a	2.24	2.17
Closing NAV	218.62	201.15	191.00
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.04	0.06	0.03
Dilution adjustments	(0.04)	(0.06)	(0.03)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.97	0.96	0.95
Return after charges	+8.69	+5.31	+10.28
Other information			
Closing NAV (\$'000)	3,289	2,933	3,764
Number of shares	1,189,412	1,149,814	1,696,354
Highest share price (UK p)	218.55	204.84	195.84
Lowest share price (UK p)	191.47	179.62	165.96

Financial highlights

Sterling Class 'I' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,308.59	3,194.10	2,948.04
Return before operating charges	304.49	200.06	333.10
Operating charges	(9.54)	(18.32)	(17.01)
Return after operating charges	294.95	181.74	316.09
Distributions	n/a	(67.25)	(70.03)
Closing NAV	3,603.54	3,308.59	3,194.10
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.58	1.00	0.58
Dilution adjustments	(0.58)	(1.00)	(0.58)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.57	0.56	0.55
Return after charges	+8.91	+5.69	+10.72
Other information			
Closing NAV (\$'000)	44,840	42,007	36,320
Number of shares	983,628	1,001,286	978,911
Highest share price (UK p)	3,602.36	3,430.42	3,346.35
Lowest share price (UK p)	3,151.84	3,003.40	2,825.54

Sterling Class 'I' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	3,969.12	3,754.22	3,390.67
Return before operating charges	365.19	236.24	383.18
Operating charges	(11.41)	(21.34)	(19.63)
Return after operating charges	353.78	214.90	363.55
Distributions	n/a	(58.79)	(58.84)
Retained distributions	n/a	58.79	58.84
Closing NAV	4,322.90	3,969.12	3,754.22
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.69	1.16	0.67
Dilution adjustments	(0.69)	(1.16)	(0.67)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.57	0.56	0.55
Return after charges	+8.91	+5.72	+10.72
Other information			
Closing NAV (\$'000)	83,759	89,960	124,615
Number of shares	1,531,609	1,787,455	2,857,554
Highest share price (UK p)	4,321.49	4,033.30	3,848.83
Lowest share price (UK p)	3,781.02	3,531.75	3,249.82

Financial highlights

Sterling Class 'PP' Income share performance

The share class was launched on 5 August 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	128.88	124.29	114.58
Return before operating charges	11.88	7.79	12.97
Operating charges	(0.31)	(0.58)	(0.55)
Return after operating charges	11.57	7.21	12.42
Distributions	n/a	(2.62)	(2.71)
Closing NAV	140.45	128.88	124.29
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.02	0.04	0.02
Dilution adjustments	(0.02)	(0.04)	(0.02)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.47	0.46	0.45
Return after charges	+8.98	+5.80	+10.84
Other information			
Closing NAV (\$'000)	37,049	25,807	52,175
Number of shares	20,852,037	15,791,595	36,138,186
Highest share price (UK p)	140.40	133.55	130.20
Lowest share price (UK p)	122.80	116.88	109.83

Sterling Class 'PP' Accumulation share performance

The share class was launched on 8 April 2019.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	144.79	136.82	123.44
Return before operating charges	13.32	8.64	13.97
Operating charges	(0.34)	(0.67)	(0.59)
Return after operating charges	12.98	7.97	13.38
Distributions	n/a	(2.28)	(2.28)
Retained distributions	n/a	2.28	2.28
Closing NAV	157.77	144.79	136.82
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.03	0.04	0.02
Dilution adjustments	(0.03)	(0.04)	(0.02)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.47	0.46	0.45
Return after charges	+8.96	+5.83	+10.84
Other information			
Closing NAV (\$'000)	49,042	51,341	433
Number of shares	24,571,781	27,965,133	272,438
Highest share price (UK p)	157.72	147.04	140.26
Lowest share price (UK p)	137.95	128.72	118.32

Financial highlights

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	324.93	314.47	291.00
Return before operating charges	29.88	19.67	32.84
Operating charges	(1.35)	(2.60)	(2.45)
Return after operating charges	28.53	17.07	30.39
Distributions	n/a	(6.61)	(6.92)
Closing NAV	353.46	324.93	314.47
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.06	0.10	0.06
Dilution adjustments	(0.06)	(0.10)	(0.06)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.82	0.81	0.80
Return after charges	+8.78	+5.43	+10.44
Other information			
Closing NAV (\$'000)	580	539	476
Number of shares	129,758	130,812	130,197
Highest share price (UK p)	353.34	337.37	329.52
Lowest share price (UK p)	309.41	295.63	278.87

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

Change in NAV per share	Six months to 29.02.24 UK p	Year to 31.08.23 UK p	Year to 31.08.22 UK p
Opening NAV	385.84	365.86	331.26
Return before operating charges	35.47	23.00	37.39
Operating charges	(1.60)	(3.02)	(2.79)
Return after operating charges	33.87	19.98	34.60
Distributions	n/a	(4.83)	(4.76)
Retained distributions	n/a	4.83	4.76
Closing NAV	419.71	385.84	365.86
Direct transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.07	0.11	0.07
Dilution adjustments	(0.07)	(0.11)	(0.07)
Total direct transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs	0.00	0.00	0.00
Operating charges	0.82	0.81	0.80
Return after charges	+8.78	+5.46	+10.44
Other information			
Closing NAV (\$'000)	4,990	4,408	3,940
Number of shares	939,864	901,024	927,037
Highest share price (UK p)	419.57	392.62	375.11
Lowest share price (UK p)	367.40	344.10	317.45

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Statement of total return

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		31,204		19,424
Revenue	4,877		3,976	
Expenses	(1,160)		(1,045)	
Interest payable and similar charges	0		0	
Net revenue/(expense) before taxation	3,717		2,931	
Taxation	(615)		(534)	
Net revenue/(expense) after taxation		3,102		2,397
Total return before equalisation		34,306		21,821
Equalisation		(703)		562
Change in net assets attributable to shareholders from investment activities		33,603		22,383

Statement of change in net assets attributable to shareholders

for the six months to 29 February and 28 February	2024		2023	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		315,429		312,603
Amounts received on issue of shares	101,390		142,868	
Amounts paid on cancellation of shares	(120,389)		(75,402)	
		(18,999)		67,466
Dilution adjustments		106		125
Change in net assets attributable to shareholders from investment activities (see above)		33,603		22,383
Closing net assets attributable to shareholders		330,139		402,577

The opening net assets attributable to shareholders for 2024 differs to the closing position in 2023 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

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Financial statements

Balance sheet

as at	29 February 2024 \$'000	31 August 2023 \$'000
Assets		
Fixed assets		
Investments	322,058	309,529
Current assets		
Debtors	3,467	1,411
Cash and bank balances	326	128
Cash equivalents	7,844	8,643
Total assets	333,695	319,711
Liabilities		
Creditors		
Bank overdrafts	(2,910)	0
Distribution payable	0	(3,394)
Other creditors	(646)	(888)
Total liabilities	(3,556)	(4,282)
Net assets attributable to shareholders	330,139	315,429

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 determining the amount available for distribution, ordinary stock dividends have been transferred to capital, reducing the amount available.

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

Other regulatory disclosures

EU Sustainable Finance Disclosure Regulation

SFDR

The M&G Global Themes Fund is categorised as an Article 6 fund under SFDR.

Taxonomy Regulation

The M&G Global Themes Fund's underlying investments do not take into account the EU criteria for environmental sustainable economic activities.

