

# Important information relating to the closure of the M&G Climate Solutions Fund

If you are in any doubt as to the action to be taken please call our **Customer Relations** team free on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas) or consult your **financial adviser**, if you have one, immediately.

Your options and answers to questions you may have about the closure



# Contents

<b>Key information .....</b>	<b>3</b>
Why is M&G closing the M&G Climate Solutions Fund? .....	3
What are the options for Shareholders? .....	3
Important information .....	3
<b>Your options.....</b>	<b>4</b>
Shares held within The M&G ISA or The M&G Junior ISA .....	4
Shares held outside of The M&G ISA or The M&G Junior ISA .....	6
<b>Your questions answered .....</b>	<b>7</b>
Giving your instructions .....	7
If you are switching to another M&G fund .....	7
Your investment.....	8
Costs of the closure.....	10
Tax information.....	10
Other.....	10
Further information .....	12

## Key Dates

Action	Date
Cut-off for M&G to receive transfer instruction from another ISA/Junior ISA manager	12:00 on Monday 11 November 2024
Deadline for receipt of redemption and switch requests	12:00 on Monday 18 November 2024
Suspension of dealing in shares and commencement of the sale of the Fund's assets for closure	12:00 on Monday 18 November 2024
Estimated completion of sale of the Fund's assets and of the fund closure process	Thursday 28 November 2024*
<b>If we do not hear from you by 12:00 on Monday 18 November 2024</b>	
<b>For Shares held within The M&amp;G ISA or The M&amp;G Junior ISA:</b> First day of dealing in shares in new fund – see page 4 for details	Friday 29 November 2024*
<b>For Shares held outside The M&amp;G ISA or The M&amp;G Junior ISA:</b> Investors receive the proceeds from the closure – see page 6 for details	Wednesday 4 December 2024*

\* These dates may change if it takes longer than anticipated to complete the sale of all the Fund's assets.

# Key information

## Why is M&G closing the M&G Climate Solutions Fund?

The M&G Climate Solutions Fund (the “Fund”) was launched in November 2020 with the aim of providing investors with capital growth and income higher than that of the MSCI World Index over any five-year period by investing in companies that aim to deliver solutions to the challenge of climate change.

The Fund has not generated the expected level of interest from investors and as a result has not attained the size required to make it commercially viable. A recent review concluded that there is little prospect for growth in the foreseeable future, and after having considered a number of options we have decided to close the Fund and suspend dealing from **12:00 on Monday 18 November 2024**.

## What are the options for Shareholders?

The different options for Shareholders are outlined in the following pages. Please read the information carefully and send us your instructions using the Option Form provided or by contacting our **Customer Relations** team on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas)\*. Alternatively, you can use our My Account service at **www.myaccount.mandg.com** to switch or sell your investment online\* – you will need to register to use this service.

Please note that we need to receive your instructions no later than **12:00 on Monday 18 November 2024**.

\*If you instruct us by phone or online, your holding will be sold at the next valuation point.

**If you do not send us any instructions, what will happen to your investment will depend on whether you hold your shares inside or outside The M&G ISA or The M&G Junior ISA. We have highlighted differences for ISA and Junior ISA Shareholders where applicable.**

## Important information

Please note that the Fund will remain open to movements in financial markets up to the completion of the closure and therefore the share price at closure could be higher or lower than that at any intermediate point. The Fund will begin selling assets on Monday 18 November 2024 as part of the closure process. As a result the proportion of cash held by the Fund will increase. Your investment in the Fund may not be fully invested in the market or strategy for a period of time. Please consider this information carefully when considering your options.

All stated tax implications are based on our current understanding of UK tax legislation and will depend on your personal tax status. If you are in any doubt as to your own position in regard to this issue, you should consult a tax adviser or financial adviser.

# Your options

## Shares held within The M&G ISA or The M&G Junior ISA

**Please note: Option IV below (“receive payments as cash”) is not available to investors in The M&G Junior ISA; all other information and options given below apply to both The M&G ISA and The M&G Junior ISA.**

If you choose to withdraw your investment and receive a cash payment from The M&G ISA, you will lose the tax-efficient ISA status associated with your holding. However, switching your investment to another fund or funds within The M&G ISA or The M&G Junior ISA, or transferring your holding to another ISA or Junior ISA manager would maintain its tax-efficient status. To maintain your tax-efficient status, you should choose from Options I, II or III below.

**Please use the enclosed Option Form to provide your instructions, where required:**

- If you choose Option I (“Switch to the M&G Positive Impact Fund”), you only need to complete the form if you wish to switch your investment before the closure date.
- If you choose Option III (“Transfer your ISA or Junior ISA investment to another manager”) you do not need to complete the form.

### **Option I: switch to the M&G Positive Impact Fund (the default option)**

This option aims to ensure that any investors in The M&G ISA and The M&G Junior ISA who do not send instructions to us by **12:00 on Monday 18 November 2024** can retain the tax advantages attached to their investment. To that end, the proceeds of any investment in the Fund within The M&G ISA or The M&G Junior ISA upon completion of the closure will be used automatically to purchase shares of an equivalent value in a ‘default’ fund within The M&G ISA or The M&G Junior ISA. We have selected the M&G Positive Impact Fund as the default fund as it provides the nearest match to your current investment strategy and risk profile from the other funds in the M&G range. The M&G Positive Impact Fund aims to provide a combination of capital growth and income through investment in companies that aim to have a positive societal impact through addressing the world’s major social and environmental challenges.

For more information on the M&G Positive Impact Fund please refer to the enclosed Key Investor Information Document(s) (KIIDs). If you wish to switch your holding before the closure commences, select Option II on the Option Form, alternatively if you want the switch to take place when the closure is completed you do not need to do anything.

Your investment will retain its tax-efficient status and the transaction will not incur any charges. If you elect to switch when the closure is completed, you will be able to make changes to your investment in the M&G Positive Impact Fund from Friday 29 November 2024 subject to our usual Terms and Conditions.

If you wish to remain invested in a climate change strategy similar to the one run by the Fund, this may be available from other investment managers – Option III below provides details on how to transfer your investment to another manager without losing its ISA status.

### **Option II: switch to an alternative M&G fund(s) within The M&G ISA and The M&G Junior ISA**

If you wish to switch to a different M&G fund or funds within The M&G ISA and The M&G Junior ISA, you can find out about our full range of funds by visiting [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or contacting our **Customer Relations** team. Before selecting this option, you must read the relevant Key Investor Information Document (KIID) for your chosen fund(s), along with the Important Information for Investors document, which will provide you with details of share classes that are available for investment, and minimum investment limits associated with those share classes.

We are not permitted to provide investment advice, but we are happy to talk you through the various options.

If you wish to switch your holding to alternative funds within the M&G range, select Option II on the Option Form and list the fund(s) you wish to invest in. You can send the form to us using the reply-paid envelope – more details can be found in “Giving your instructions” on page 7. Instructions sent by post must reach us by **12:00 on Monday 18 November 2024**.

You can call our **Customer Relations** team or use our My Account service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) to switch your investment online – you will need to register to use this service. Phone and online instructions must be provided before **12:00 on Monday 18 November 2024**.

Switching to other funds within The M&G ISA or The M&G Junior ISA range will mean your investment will retain its tax-efficient status and the transaction will not incur any charges.

If you need investment advice before making a decision, please contact a financial adviser.

We will send you confirmation of your new holding(s) in your chosen fund(s) once the switch has taken place.

### **Option III: transfer your ISA or Junior ISA investment to another manager**

You may transfer your investment to another ISA/Junior ISA manager – this will maintain its tax-efficient status.

To initiate your ISA transfer, **you will need to contact your chosen ISA manager in the first instance** and they must in turn instruct us to sell your holding before **12:00 on Monday 11 November 2024**. If the documentation from your new manager is not received by M&G by that date, your investment will automatically be switched into the M&G Positive Impact Fund as described in Option I.

If you transfer your holding to a new manager, you will not be charged for the transfer by M&G but your new ISA manager may levy a charge. Please note that if you choose to transfer your M&G ISA or M&G Junior ISA to another manager your monies may not be invested for a period of time.

### **Option IV: sell your investment (not available to investors in The M&G Junior ISA)**

**Please note that choosing this option would result in the loss of the tax-efficient ISA status associated with your holding.**

If you would like to sell your investment in the Fund and receive a cash payment, you will need to complete and return the enclosed Option Form for it to reach us before **12:00 on Monday 18 November 2024**. You will be sent your proceeds within four business days of us receiving the completed form. Alternatively, you can instruct us by phone by contacting our **Customer Relations** team to sell at the next valuation point, or you can use our My Account service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) to sell your investment online – you will need to register to use this service. Phone and online instructions must be provided before **12:00 on Monday 18 November 2024**. A withdrawal and cash payment from The M&G ISA will result in the loss of the tax-efficient ISA status associated with your holding.

### **The default option on Fund closure**

If we have not received instructions from you by **12:00 on Monday 18 November 2024** we will automatically use your share of the closure proceeds of the Fund to buy Shares in the M&G Positive Impact Fund as described in Option I above on Thursday 28 November 2024. Your investment will retain its tax-efficient status and the transaction will not incur any charges.

## Shares held outside of The M&G ISA or The M&G Junior ISA

### Option A: sell your investment

- Before the closure commences:
  - You can sell your holding at any time prior to **12:00 on Monday 18 November 2024**. Please complete and sign the enclosed Option Form, selecting Option A, and return it to us by **12:00 on Monday 18 November 2024**. You will be sent your proceeds within four business days of us receiving the completed Option Form. Alternatively, you can instruct us by phone to sell at the next valuation point, or you can use our My Account service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) to sell your investment online – you will need to register to use this service. Phone and online instructions must be provided before **12:00 on Monday 18 November 2024**.
- When the Fund closure is completed (the default option):
  - If you wish to sell your holding when the Fund closure is completed, you do not need to do anything. If we have not received instructions from you by **12:00 on Monday 18 November 2024**, your holding will be sold on Thursday 28 November 2024 and you will be sent your proceeds within four business days.
  - Your proceeds will be paid out according to your dealing mandate at the point of closure. If we don't hold verified bank or building society account details for you, the payments will be made by cheque. If you do not wish to receive your payment by cheque, the latest opportunity to provide or update your bank account details prior to closure is Wednesday 20 November 2024.

For your protection, and to minimise the risk of financial crime, we are required by law to verify the identity of all our customers. If we have not been able to verify your identity we will not be able to release the proceeds of the sale of your holding to you and will need to contact you to obtain verification.

### Option B: switch to an alternative M&G fund

You may do this at any time before **12:00 on Monday 18 November 2024**. Information on our full range of funds can be found at [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or by contacting our **Customer Relations** team.

Once you have found the right fund(s) for you and read the relevant Key Investor Information Document(s) (KIIDs), along with the Important Information for Investors document, you can instruct us by completing the enclosed Option Form. You can send the form to us using the reply-paid envelope. Instructions sent by post must reach us by **12:00 on Monday 18 November 2024**. More details can be found on "Giving your instructions" on page 7. Alternatively, you can instruct us by phone, or you can use our My Account service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) to switch your investment online – you will need to register to use this service. Phone and online instructions must be provided before **12:00 on Monday 18 November 2024**. We are not permitted to provide investment advice, but we are happy to talk you through the various options. Alternatively, please contact a financial adviser.

We will send you confirmation of your new holding(s) in your chosen fund(s) once the switch has taken place.

#### Tax consequences

Please be aware both Options A and B set out above will be deemed a disposal of your shares in the Fund for capital gains tax (CGT) purposes and may give rise to a CGT liability. This will depend upon your individual circumstances. If you are in any doubt as to the taxation consequences of your action you should contact a tax adviser or financial adviser.

# Your questions answered

We realise that you may have some questions on the closure of the Fund and what your options are. With this in mind we have set out to answer the most commonly asked questions. If you have any further questions, please do not hesitate to contact our **Customer Relations** team using the contact details on the back cover.

Please be aware that we are not in a position to give you investment or tax advice, so if you are uncertain as to how to proceed, you should consult a financial adviser. You can find Information on how to access financial advice on our website [www.mandg.co.uk/getfinancialadvice](http://www.mandg.co.uk/getfinancialadvice)

## Giving your instructions

### Q. How should I communicate my decision for the fund closure, when will my instruction be actioned and how will my proceeds be paid if I choose to sell?

#### Communicating your decision

We need to receive your closure instruction by **12:00 on Monday 18 November 2024**. You can:

- complete the enclosed Option Form(s) to provide your instructions and return it in the reply-paid envelope provided to The M&G Group, PO Box 9039, Chelmsford, Essex, CM99 2XG;
- call our **Customer Relations** team free on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas); or
- use our My Account service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) to give your instructions online – you will need to register to use this service.

If you are instructing us to switch your investment to an alternative M&G fund, please ensure that you have read the KIID(s) for the fund(s) you have chosen. For free up-to-date copies of the KIIDs please visit [www.mandg.co.uk/kiids](http://www.mandg.co.uk/kiids) or call our **Customer Relations** team.

#### Actioning your instructions

Instructions received before the relevant cut off dates will be processed as per our usual terms and conditions of business:

- instructions received before 12:00 on a business day will be dealt at that day's valuation point;
- instructions received on a non-business day or after 12:00 on a business day will be dealt at the next business day's valuation point.

For your protection, and to minimise the risk of financial crime, we are required by law to verify the identity of all our customers. If we have not been able to verify your identity we will not be able to release the proceeds of the sale of your holding to you and will need to contact you to obtain verification.

#### How your proceeds will be paid if you choose to sell prior to 12:00 on Monday 18 November

You will be sent your proceeds within four business days of us receiving the sale instruction. Payments will be made in accordance with your dealing mandate.

### Q. What if I don't do anything?

What happens will depend on whether you hold your investment in the Fund inside or outside of The M&G ISA or The M&G Junior ISA. Please refer to the default option relevant to you on pages 4 and 6.

## If you are switching to another M&G fund

### Q. Do I have to switch to the M&G Positive Impact Fund?

No. We have provided information about this fund as it is the 'default' fund which we have selected for The M&G ISA and The M&G Junior ISA Shareholders who do not provide us with any instructions. However you are welcome to

select any other fund(s) in our range. Please ensure that you have read the KIID(s) for the fund(s) you have chosen. For further information on our full range of funds, including free up-to-date copies of the KIIDs, please visit [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or call our **Customer Relations** team on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas). We are not permitted to provide investment advice, but we are happy to talk you through the various options. Alternatively, please contact a financial adviser.

### **Q. Will I hold the same number of shares?**

When switching to another fund, you will not receive the same number of individual shares, but you will hold shares to the same value as you did in the Fund on the date of the switch (based on the published price of each fund on the that date).

### **Q. Will I hold shares of the same class and type?**

- If you switch into the M&G Positive Impact Fund as part of the default option for investors in The M&G ISA and The M&G Junior ISA (see Option I on page 4), you will receive shares of the same class, type and features as you currently hold in the Fund.
- For any other switch(es), (see Option II on page 4 and Option B on page 6), you will be able to choose a share class and type from those available in the fund you have selected. Please ensure that you have read the relevant KIID(s) for the fund(s) you have chosen. For free up-to-date copies of the KIIDs please visit [www.mandg.co.uk/kiids](http://www.mandg.co.uk/kiids) or call our **Customer Relations** team.

### **Q. Will the investment retain its tax-efficient status?**

If you hold shares in the Fund through The M&G ISA or The M&G Junior ISA and choose Options I, II or III, then the investment will retain its tax efficiency.

### **Q. What will happen to my income instructions?**

If you switch to income shares in another M&G fund, your existing income instructions will remain in force. However, if you already are a shareholder in the fund you are switching into, your existing income instruction for the fund you are switching into will take precedence.

## **Your investment**

### **Q: Does the closure affect my other investments with M&G?**

No – it does not affect any other investment(s) you have with us.

### **Q. I invest by Direct Debit. What will happen to that?**

The last dates we will take a Direct Debit payment for the Fund will be 22 October 2024, 1 November 2024 and 11 November 2024 depending on which day of the month your payments are currently being made.

If you switch your investment into another M&G fund, we will redirect your monthly payments to your new fund with effect from the next contribution date following receipt of your instruction. You do not need to complete a new Direct Debit Instruction as your existing instructions will automatically transfer to the new fund when you switch. However, if you already happen to be making a regular contribution to the fund you are switching into, the amounts of your two Direct Debits will be combined with effect from the next contribution date after we receive your instruction. In all other respects, your instructions for the fund you are switching into will take precedence.



---

 Shares held outside of The M&G ISA or The M&G Junior ISA
 

---

Last Direct Debit payment	Cut-off to cancel last Direct Debit payment in M&G Climate Solutions Fund
22 October 2024	15 October 2024
1 November 2024	25 October 2024
11 November 2024	4 November 2024

If you redeem your shares in the window between the cut off to cancel a Direct Debit and the Direct Debit collection date itself, your investment may go ahead on collection date. In this scenario, your new shares will be sold approximately 10 business days after the collection date or upon the completion of the closure of the Fund, whichever is sooner.

If we have not received instructions from you by **12:00 on Monday 18 November 2024**, your holding including your last Direct Debit payment will be sold when the default closure option is actioned on Thursday 28 November 2024 and you will be sent the proceeds within four business days.

---

 ISA and Junior ISA Shareholders
 

---

Last Direct Debit payment	Cut-off to cancel last Direct Debit payment in M&G Climate Solutions Fund	First Direct Debit payment in M&G Positive Impact Fund (if applicable)
22 October 2024	15 October 2024	23 December 2024
1 November 2024	25 October 2024	02 December 2024
11 November 2024	4 November 2024	11 December 2024

If you redeem your shares in the window between the cut off to cancel a Direct Debit and the Direct Debit collection date itself, your investment may go ahead on collection date. In this scenario, your new shares will be sold approximately ten business days after the collection date or upon the completion of the closure of the Fund, whichever is sooner.

If you remain in the Fund at the point of the completion of the closure, after your last Direct Debit Payment, your existing Direct Debit instructions will automatically transfer to the M&G Positive Impact Fund. However, if you already happen to be making a regular contribution to the M&G Positive Impact Fund, the amounts of your two Direct Debits will be combined with effect from the next contribution date. In all other respects, your instructions for the M&G Positive Impact Fund will take precedence.

**Q: How can I find out what the value of my investment in the fund is?**

You can find out the value of your investment by calling our **Customer Relations** team on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas). Alternatively, you can use our **My Account** service at **www.myaccount.mandg.com** for an online valuation – you will need to register to use this service.

## Costs of the closure

### Q. Will I be charged for the Fund closure?

Administrative or publishing charges incurred in the closure of the Fund will be borne by M&G. Transaction costs associated with selling the portfolio will be paid by the Fund. None of the options detailed above carry any associated charge from M&G.

---

ISA and Junior ISA Shareholders

---

If you transfer your holding to a new ISA/Junior ISA manager, you will not be charged for the transfer by M&G, but your new ISA/Junior ISA manager may levy a charge.

### Q. Will I pay more charges as the Fund reduces in size prior to its closure?

No, fixed costs are included in the annual charge which will remain unchanged and you will not pay more.

## Tax information

### Q. Will I have to pay capital gains tax (CGT)?

Unless you hold all your shares in the Fund in The M&G ISA or The M&G Junior ISA, you may be liable for CGT, no matter which option you choose. This depends on your personal tax circumstances; please speak to a financial adviser or tax adviser if you are in any doubt.

---

ISA and Junior ISA Shareholders

---

Shares in an ISA or Junior ISA are not liable for CGT as a result of a switch or sale.

## Other

### Q. What will happen if there are any unsold investments left in the Fund when it closes?

If any of the Fund's investments remain unsold by the time we complete the closure of the Fund on Thursday 28 November 2024 (the "Unsold Investments"), these investments will be held in a Custody Account, where they will remain until they can either be sold or written off.

The Unsold Investments will be subject to a periodic review in conjunction with the Fund's Depositary, which may conclude that there is no realistic prospect of either being able to sell them or receiving any proceeds from them, in which case they would be written off.

However, should any of the Unsold Investments be sold, any additional net gains resulting from such sale would be paid to investors who were still invested when the closure commences on Monday 18 November 2024.

Please note that investors who sell or switch their investment in the Fund prior to commencement of the closure will not be entitled to the sale proceeds of any Unsold Investments.

Similarly, should the Fund receive any unexpected windfalls after its closure, the proceeds would be paid to investors who were still invested when the closure commences on Monday 18 November 2024.

For your protection, and to minimise the risk of financial crime, we are required by law to verify the identity of all our customers. If we have not been able to verify your identity we will not be able to release any additional proceeds to you. If you would like to confirm whether your identity has been verified, please call our Customer Relations team on 0800 390 390.

**Q. What will happen to any money left over after the Fund finally closes?**

When we commence the closure of a fund it may be necessary for us to retain a small amount of the fund's assets in order to ensure that all its liabilities are met. Normally a fund's liabilities can be accurately predicted and so we only retain assets to cover exactly what we need. However, sometimes a fund's liabilities prove more difficult to accurately predict and we may retain more assets than are needed. Whilst unusual, should this prove to be the case, at the point at which we are finally ready to complete the termination of the Fund we may need to make a further payment to those shareholders who held shares in the Fund when it began its closure, on Monday 18 November 2024.

**Q. Will you publish an annual report and accounts for the Fund?**

Although the Fund will commence closure on Monday 18 November 2024, we will still publish termination accounts on our website within four months of the date termination is completed. Should termination not be completed before the end of any future annual accounting periods ending 31 March each year or half-yearly accounting periods ending 30 September each year, we would additionally publish on our website the long report and financial statements within two months of the half-yearly accounting periods and within four months of the end of the annual accounting periods.

If you would like to receive a paper copy of any of these reports they will be available on request by calling our **Customer Relations** team on **0800 390 390** (or **0044 1268 44 8031** if calling from overseas).

## Further information

If you have any further questions about the closure of the Fund, please contact our **Customer Relations** team by calling **0800 390 390** (or **0044 1268 44 8031** if calling from overseas). The team is available from 08:00 to 18:00, Monday to Friday, and from 09:00 to 13:00 on Saturday. To help us deal with your enquiry as quickly as possible please have your M&G client reference when calling us. For your security and to improve the quality of our service, calls may be recorded. For alternative ways to get in touch please visit the “Contact us” section of our website at **[www.mandg.co.uk](http://www.mandg.co.uk)**

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how to proceed, you should consult a financial adviser. You can find Information on how to access financial advice on our website **[www.mandg.co.uk/getfinancialadvice](http://www.mandg.co.uk/getfinancialadvice)**