



Form ADV Part 2A

M&G Investments (USA) Inc.

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United States of America

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This brochure provides information about the qualifications and business practices of M&G Investments (USA) Inc. ("MGIU"). If you have any questions about the contents of this brochure, please contact Christopher K. Yarbrough, Chief Compliance Officer and Head of Legal, US at 312-952-9464 or Christopher.Yarbrough@mandg.com. Additional information about MGIU is also available on the SEC's website at www.adviserinfo.sec.gov.

MGIU is registered with the U.S. Securities and Exchange Commission ("SEC") as an investment adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2 Summary of Material Changes

Since submitting its other-than-annual amendment to the Form ADV Part 2A, on August 7, 2023, M&G Investments (USA) Inc. ("MGIU") has no material changes to report.

In addition, we have made clarifying updates throughout this brochure. We recommend that you review this brochure in its entirety.

Item 3 Table of Contents

Item 2 Summary of Material Changes	2
Item 3 Table of Contents.....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation	5
Item 6 Performance-Based Fees and Side-By-Side Management	5
Item 7 Types of Clients	5
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	6
Item 9 Disciplinary Information.....	12
Item 10 Other Financial Industry Activities and Affiliations	12
Item 11 Code of Ethics, Participation or Interest in Client	13
Item 12 Brokerage Practices.....	15
Item 13 Review of Accounts.....	16
Item 14 Client Referrals and Other Compensation	16
Item 15 Custody	16
Item 16 Investment Discretion.....	16
Item 17 Voting Client Securities	17
Item 18 Financial Information.....	17

Item 4 Advisory Business

Description of Firm

MGIU was incorporated in Delaware on July 17, 2019, and became registered with the SEC in May 2020. MGIU is wholly owned by M&G Investments (Americas) Inc. and is an indirect subsidiary of M&G FA Limited ("MGFA"), which is ultimately wholly owned by M&G Plc ("M&G"), a London Stock Exchange-listed financial services company. M&G is headquartered in London, United Kingdom. As of December 31, 2023, M&G had over 5,800 employees in 17 locations around the world.

Services

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to MGIU and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

MGIU provides investment management services to clients who are group affiliates of M&G ("Group Affiliates"), including affiliated insurance companies and investment advisers. MGIU does not currently provide its services to clients or prospective clients who are not Group Affiliates. Client funds are invested by MGIU on the basis of the individual aims and needs of each client at such time as deemed necessary, having regard to the assessment of prevailing investment opportunities.

MGIU provides discretionary fixed income investment management strategies tailored to achieve a Group Affiliate client's objectives and guidelines. Such strategies generally invest in US dollar denominated corporate bonds and loans, agency and non-agency mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, sovereign debt and US treasuries and futures. Additionally, MGIU offers a discretionary US Treasury strategy to a Group Affiliate client that primarily includes short, medium, and long duration US Treasuries.

Pursuant to a participating affiliate arrangement, MGIU also provides model portfolio services tailored to achieve client objectives and guidelines to certain clients that are not Group Affiliates.

Additionally, MGIU offers investment advisory services to Group Affiliates in the form of a global thematic technology equity strategy. Management of this strategy is performed by MGIU's California-based portfolio management team. The strategy aims to invest in equity securities and equity related instruments of companies and categories related to Artificial Intelligence, across any sector and market capitalization that are domiciled, incorporated or listed in any country, including Emerging Markets.

In providing the above services, where appropriate, and subject to various internal controls, MGIU may leverage the resources of other M&G investment or trading teams across asset classes with the goal of providing clients with diverse sources of risk-adjusted returns.

Investment Restrictions

All advisory services for the Group Affiliate client are provided under the terms of an advisory agreement between MGIU and its respective Group Affiliate. MGIU and its Group Affiliates work on a collaborative basis to establish suitable investment guidelines and restrictions for their accounts.

MGIU has contracted directly with the client that is not a Group Affiliate for which it provides model portfolio services.

Wrap Fee Programs

We do not participate in any wrap fee program.

Assets Under Management

As of December 31, 2023, MGIU's total discretionary assets under management were approximately \$14,812,515,750.

Item 5 Fees and Compensation

MGIU provides discretionary investment management services to clients who are Group Affiliates.

Fees are negotiable between MGIU and Group Affiliates. For advisory services provided to Group Affiliates, compensation received by MGIU is generally comprised of fees based on a percentage of assets under management and performance-based amounts. MGIU's asset-based fees range up to 15 basis points (per annum), although reductions may be negotiated on a case-by-case basis. We do not currently have any external clients and therefore all revenue will be generated from contractual arrangements with Group Affiliates. Fees are normally billed on a semi-annual, quarterly, or monthly basis in arrears and are due from clients on receipt of a billing statement and are not deducted directly from a client's account.

Pursuant to a participating affiliate arrangement, MGIU also provides model portfolio services to nonaffiliated asset managers. Fees for such services are calculated and paid quarterly in arrears and determined in accordance with the master advisory agreement governing the services provided.

Unless otherwise agreed, MGIU is not obligated to pay any expenses of a client. Group Affiliate clients will directly bear the costs associated with custodians and other service providers to their separately-managed account, as well as brokerage and other transaction costs associated with trading in the account.

Item 6 Performance-Based Fees and Side-By-Side Management

As described in Item 5 above, MGIU is eligible to receive performance-based compensation from certain clients. With a performance-based fee arrangement, MGIU receives compensation based on a share of the capital gains upon or capital appreciation of the client account. It should be noted that such a compensation arrangement may create an incentive for MGIU to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. MGIU has adopted and implemented written compliance policies and procedures that are designed to address the above conflicts of interest. Further, as a fiduciary, MGIU recognizes its duties to act in good faith and with fairness in all of its dealings with its clients.

Item 7 Types of Clients

Our services are provided to clients who are Group Affiliates, which include other investment advisers and insurance companies, and certain non-Group Affiliates that receive model portfolio services from MGIU.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

MGIU's investment process is a team-based, bottom-up approach supported by top-down views and relative value discipline. This process relies on the expertise of its investment teams: research analysts, traders, and portfolio managers.

Companies, assets and their related securities are researched by specialist teams of research analysts and portfolio managers, involving both meetings with company management, and the reviews of financial statements and other research material. Using the company meeting as the focal point, investment professionals make a thorough assessment of both quality and valuation for each potential investment. The output of research activity is provided from the research analysts to the portfolio manager(s).

MGIU traders are responsible for providing thoughtful and timely feedback on market news and overall tone, trading technical and asset valuations to portfolio managers and research analysts to help determine an asset's fair value.

MGIU portfolio managers are responsible for constructing portfolios that meet clients' objectives in terms of both risk and reward. Companies, assets and their related securities are subject to ongoing oversight by portfolio managers. It is also the fund managers' responsibility to understand the cash impact of any transaction undertaken.

Risk Factors

Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, which clients should be prepared to bear. Risks will vary based on an account's specific strategy and specific investments held. Below is a summary of certain risks that may be associated with MGIU's strategies. The risks provided are not a complete enumeration of explanation of the risks involved in a strategy.

General Risks

Cybersecurity risk: Cyber-attacks could disrupt daily operations related to trading and portfolio management. In addition, technology disruptions and cyber-attacks may impact the operations or securities prices of an issuer or group of issuers, and thus may have an adverse impact on the value of account's investments. Cyber-attacks on securities markets or the financial services infrastructure could cause market volatility or the failure of critical financial services and could impact an account's performance.

Force Majeure Events: Portfolio investments may be affected by force majeure events (i.e. events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemics or other serious public health concerns, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, governmental policies and social instability). Some force majeure events may adversely affect the ability of a party (including an issuer or a counterparty to a portfolio investment) to perform its obligations until it is able to remedy the force majeure event. Furthermore, force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in a particular country and may

contribute to volatility in financial markets. Any of the foregoing may therefore adversely affect the performance of an account.

Work From Home. In addition, in response to the spread of COVID-19, many businesses, including MGIU, have at times encouraged or mandated that their personnel work from home in an effort to help slow the spread of the coronavirus pandemic. Notwithstanding such precautionary measures, MGIU may still experience a significant increase in illness of their respective personnel. Work-at home arrangements could also lead to employee fatigue, reduced collaboration and less optimal communication and supervision relative to traditional office structures which could severely impair our and/or such service providers' operational capabilities, potentially having a detrimental impact on our business and operations. To the extent personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information sharing, that business will likely be more vulnerable to cybersecurity incidents and cyberattacks and could have more difficulty resuming normal operations in the event it is the target of such incident or attack

Operational risk: An account may suffer a loss arising from shortcomings or failures in internal or external processes, people or systems, or from external events. Operations risks can arise from factors such as processing errors, human errors, inadequate or failed processes, fraud, failure in systems and technology, changes in personnel, and errors caused by affiliated or third-party service providers.

Regulatory risk: MGIU is an indirect wholly owned subsidiary of M&G. Through this ownership structure, MGIU has a number of global financial industry affiliates. As a result of this structure, and the asset management and financial industry business activities of MGIU and its affiliates, MGIU may be prohibited or limited in effecting transactions in certain securities for client accounts. Additionally, changes in US or other applicable law regulating investment advisers or financial markets may result in changes to MGIU's investment strategy or practices, increases in client transaction costs and related fees, delay implementation of desired investment strategies, and potentially adversely impact MGIU's provision of investment advisory services to a client.

Liquidity Risk: Securities investments may at any given time be illiquid such that either no market exists for them or they are restricted as to their transferability under federal or state securities laws. Thus, the same of these investments may be made at substantial discounts, delayed, or impossible. In addition, the illiquidity of a security or other instrument makes valuation of such investment difficult.

Artificial Intelligence Engines and Machine Learning (collectively "AI"): AI is used as an umbrella term that encompasses a broad spectrum of different technologies and applications. MGIU defines AI as computer systems able to perform tasks that normally require human intelligence, such as visual perception, speech recognition, decision-making, and translation between languages, more commonly known as generative AI. As part of our investment management process, MGIU may use AI for investment research or decision process. When relying on AI there are certain risks involved, including data quality, copyright and trade secret violations, confidentiality breaches, unauthorized access or malware risks, insider trading, breach of contract, cybersecurity, and privacy law violations. Data inputs and outputs are assessed and evaluated for data integrity, however, there is no assurance of accuracy, and your account may be negatively affected.

Fixed Income Risks

Fixed Income Market Risk: Fixed income securities' values generally increases or decreases based on changes in interest rates. If interest rates increase, the value of fixed income securities is highly likely to decline. On the other hand, if rates fall, the value of the fixed income securities is highly

likely to increase. The longer a fixed income instrument's duration, the greater the impact a change in interest rates can have on its price.

Credit Risk: Fixed income securities carry the risk of default and/or downgrades over time. If an issuer defaults, it would be unable to pay scheduled interest and principal payments. Thus, an investor who experiences a default is highly likely to experience a loss in value. Fixed income securities can also be subject to a decline in credit ratings. As these ratings are one of the bases the market uses to price risk, a decline in the credit rating often leads to a decline in the market value of the security.

Currency Risk: Currencies are purchased and sold for portfolios through the use of forward contracts or other instruments. A portfolio that seeks to trade in foreign currencies can have limited access to certain currency markets due to a variety of factors including government regulations, adverse tax treatment, exchange controls, and currency convertibility issues. Currency exchange rates can be volatile, particularly during times of political or economic unrest or as a result of actions taken by central banks. A change in the exchange rates has the potential to produce significant losses to a portfolio, particularly if unhedged in whole or in part.

Valuation Risk: The Client invests significantly in hard to value instruments, i.e. instruments for which it is not possible to obtain a market quote and internal valuation models are required. The valuation derived from these valuation models may differ significantly from their realization price, should they be sold before maturity.

Counterparty Risk: Fixed income securities and derivative transactions involve counterparty credit risk and will expose clients to possible unanticipated losses to the extent that counterparties default or are unable or unwilling to fulfill their contractual obligations.

Inflation Risk: Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the account and distributions can decline.

Prepayment Risk: A callable fixed income security allows the issuer to call, or repay, the security early. Declining interest rates can accelerate the redemption of a callable security, causing an investor's principal to be returned sooner than expected. In that scenario, investors must reinvest the principal at the lower interest rates.

Issuer Risk: The value of fixed income securities decline because of negative events or circumstances that directly relate to conditions at the issuer, its affiliates, or to any entity providing it credit support.

Asset-Backed Securities: Asset-backed securities decline in value when defaults on the underlying assets (e.g. mortgages, student loans, etc.) occur and these securities exhibit increased volatility in periods of changing interest rates. When interest rates decline, the resulting prepayment of mortgages, or assets underlying such securities, result in diminished returns.

Convertible Bonds: Convertible bonds are subject to risk of loss due to changes in interest rates and credit quality and are further subject to the risk that the underlying equity will lose value, affecting the price of the bond. Falling equity prices will generally exert a negative influence on convertible bond prices, while rising equity prices are a positive factor.

High Yield Risk: Issuers of high yield bonds are typically of a lower credit rating, which will make them more sensitive to market fluctuations and credit risk in a shorter period than those of a higher quality rating. Due to the liquidity risk of high yield bonds, a portfolio may not be able to dispose of a bond at a favorable price or prior to a default, which could impact the portfolio. Typically, these bonds are unsecured or possibly subordinated debt of a company, and therefore, a client could be at risk of losing a large portion or its entire investment in the case of a default.

Distressed Securities Risk: Investments in companies that are in poor financial condition, lack sufficient capital or are involved in bankruptcy or reorganization proceedings face the unique risks of lack of information with respect to the issuer, the effects of bankruptcy laws and regulations and greater market volatility that is typically found in other securities markets. As a result, investments in distressed companies involve significant risks that could result in a portfolio incurring losses with respect to such investments.

TIPS and inflation-linked bonds or inflation-indexed securities risk: The value of inflation protected securities generally fluctuates in response to changes in real interest rates, which are tied to the relationship between nominal (stated) interest rates and the rate of inflation as the principal and/or interest is adjusted for inflation and can be unpredictable. As a result, if inflation rates were to rise at a faster rate than nominal rates, real interest rates might decline, leading to an increase in the value of inflation-protected securities and an account may not receive any income from such investments. In contrast, if nominal interest rates increased at a faster rate than inflation, real interest rates might rise, leading to a decrease in the value of **Inflation-protected securities:** If an account purchases inflation-protected securities in the secondary market whose principal values have been adjusted upward due to inflation since issuance, the account may experience a loss if there is a subsequent period of deflation. The inflation-protected securities markets are generally much smaller and less liquid than the nominal bonds from the same issuers and, as such, can suffer from losses during times of economic stress or illiquidity.

US Government Securities Risk: Obligations issued by agencies and instrumentalities of the US Government vary in the level of support they receive from the US Government. They may be (i) supported by the full faith and credit of the US Treasury, such as those of the Government National Mortgage Association; (ii) supported by the right of the issuer to borrow from the US Treasury, such as those of the Federal National Mortgage Association, (iii) supported by the discretionary authority of the US Government to purchase the issuer's obligations, such as those of the former Student Loan Marketing Association, or (iv) supported only by the credit of the issuer, such as those of the Federal Farm Credit Bureau. The maximum potential liability of the issuers of some US Government Securities may greatly exceed their current resources, including their legal right to support from the US Treasury. It is possible that these issuers will not have the funds to meet their payment obligations in the future.

Sovereign Debt Risk: Sovereign debt securities are subject to the risk that a governmental entity may delay or refuse to pay interest or repay principal on its sovereign debt, due, for example, to cash flow problems, insufficient foreign currency reserves, political considerations, the relative size of the governmental entity's debt position in relation to the economy, its policy toward international lenders or the failure to put in place economic reforms required by multilateral agencies. If a governmental entity defaults, it may ask for more time in which to pay or for further loans. There is no legal process for collecting sovereign debt that a government does not pay nor are their bankruptcy proceedings through which all or part of the sovereign debt that a governmental entity has not repaid may be collected.

Municipal Securities Risk: Municipal securities are issued by or on behalf of states, territories, possessions and local governments and their agencies and other instrumentalities, and may be

secured by the issuer's general obligations or by the revenue associated with a specific capital project. Both "general obligation" municipal bonds are "revenue" bonds are subject to interest rate, credit and market risk, and uncertainties related to the tax status of a municipal bond or the rights of investors invested in these securities. The ability of an issuer to make payments could be affected by litigation, legislation or other political events or the bankruptcy of the issuer. In the event of bankruptcy of the issuer, and account investing in the issuer's securities could experience delays in collecting principal and interest, and the account may not, in all circumstances, be able to collect all principal and interest to which it is entitled. Additionally, the value of certain municipal securities, in particular obligation debt, may also be affected by rising health care costs, increasing unfunded pension liabilities, changes in accounting standards, and by the phasing out of federal support.

Leveraged Loan Risk: Leveraged loans carry a higher risk of default than investment grade bonds and, as a result, they tend to pay higher interest rates. The loan market has lower trading activity than the high yield bond market which can impair the ability to realize full value if sold before maturity. The specific collateral used to secure a loan can decline in value or become illiquid, which would adversely affect the loan's value. These instruments introduce additional risks if they do not settle delivery versus payment.

Bank Loan Agents: Bank loans are typically administered by a bank, insurance company, finance company or other financial institution (the "agent") for a lending syndicate of financial institutions. In a typical bank loan, the agent administers the terms of the loan agreement and is responsible for the collection of principal and interest and fee payments from the borrower and the apportionment of these payments to all lenders that are parties to the loan agreement. In addition, an institution (which can be the agent) often holds collateral on behalf of the lenders. Typically, under loan agreements, the agent is given broad authority in monitoring the borrower's own performance and is obligated to use the same care it would use in management of its own property. In asserting rights against a borrower, a client account normally would be dependent on the willingness of the lead bank to assert these rights, or upon a vote of the lenders to authorize the action.

If an agent becomes insolvent, or has a receiver, conservator, or similar official appointed for it by the appropriate bank or other regulatory authority, or becomes a debtor in a bankruptcy proceeding, it is possible that the agent's appointment is terminated and a successor agent is appointed. If an appropriate regulator or court determines that assets held by the agent for the benefit of the purchasers of bank loans are subject to the claims of the agent's general or secured creditors, the purchasers might incur certain costs and delays in realizing payment on a bank loan or suffer a loss of principal or interest.

LIBOR Rate Replacement. LIBOR is being discontinued as a floating rate benchmark. The date of discontinuation in different contexts varies depending on the LIBOR currency and tenor. New LIBOR contracts are generally not being entered into currently and are not expected to be entered into in the future. Many existing LIBOR contracts will transition to another benchmark after June 30, 2023 or, in some cases, have already transitioned or are expected to transition earlier than June 30, 2023. The market has generally coalesced around fallback recommendations for floating rate note transactions from the Alternative Reference Rates Committee (the "ARRC"), which was published in May 2019, convened by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York, which has recommended that U.S. dollar LIBOR be replaced by the Secured Overnight Financing Rate ("SOFR") plus, in the case of existing LIBOR contracts and obligations, a spread adjustment. However, which, if any, replacement benchmarks will be accepted cannot be predicted with certainty. Similarly, it is impossible to predict with certainty the consequences for existing instruments of having to switch from LIBOR to an alternative interest rate benchmark. Furthermore, during the period when new benchmarks are proposed – or (as in the case of SOFR) are being implemented – but not yet widely accepted, the likelihood of such benchmarks themselves being subject to periods of illiquidity, contributing to their also being excessively volatile, is higher than it

was previously. LIBOR has been the principal floating rate benchmark in the financial markets, and its discontinuation has affected and will continue to affect the financial markets generally and may also affect the Funds' operations, finances and investments specifically. For example, a Fund may hold LIBOR-based investments and, after or before the discontinuation of LIBOR, many or all of these investments would be expected to reset to an alternative reference rate. Resets could adversely affect returns on these investments, depending on the differences between the initial rates and the reset rates

Concentration Risk: The Client may be concentrated in a limited number of geographical regions, industry sectors, markets and/or individual positions. This may result in large changes in the value of a portfolio and adversely impact its performance.

Derivative Risk: We invest on behalf of clients in both exchanged-traded and OTC derivatives (both cleared and non-cleared). These instruments can be highly volatile, illiquid, and expose clients to a risk of loss and a risk that changes in the value of a derivative held by the strategy will not correlate with the underlying instruments of the strategy's other investments. The initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage.

Hedging Risk: Hedging techniques could involve a variety of derivatives, including futures contracts, cross currency swaps, forward foreign currency contracts, and various interest rate transactions. A transaction used as a hedge to reduce or eliminate losses associated with a portfolio holding or particular market that a portfolio has exposure, including currency exposure, can also reduce or eliminate gains. Hedges are sometimes subject to imperfect matching between the hedging transaction and its reference portfolio holding or market, and there can be no assurance that a portfolio's hedging transaction will be effective. In particular, the variable degree of correlation between price movements of hedging instruments and price movements in the position being hedged creates the possibility that losses on the hedge will be greater than gains in the value of the positions of the portfolio. Increased volatility will generally reduce the effectiveness of the portfolio's currency hedging strategy. Hedging techniques involve costs, which could be significant, whether or not the hedging strategy is successful. Hedging transactions, to the extent they are implemented, will not necessarily be completely effective in insulating portfolios from currency or other risks.

New Issue Securities Risk: Investing in new issue securities involves risks that are addition to those associated with investments which have been trading for an extended period of time because information typically used to evaluate investments often is not available for new issue securities. Subsequent to the purchase of a new issue security, information about the security or its issue may become publicly available (e.g. the issuance of a credit rating by a rating agency) which could cause MGIU to alter its view on the appropriateness of the investment for a portfolio.

Leverage Risk: The Client may be exposed to leveraged investments or may increase its overall exposure through derivatives and/or borrowing. This makes it more sensitive to certain market or risk factor movements and may cause increased volatility and risk of loss.

Equity Risks

Equity and Equity-Related Instruments: Stocks and other equity-related instruments may be subject to various types of risk, including market risk, liquidity risk, counterparty credit risk, legal risk, and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risk of loss. "Equity securities" may include common stocks, preferred stocks, interests in real estate investment trusts, convertible debt obligations, convertible preferred stocks, equity interests in trusts, partnerships, joint ventures, or limited liability companies and similar enterprises, warrants, and stock purchase rights. Equity securities fluctuate in value, and such fluctuations can be pronounced. In general, stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions.

Accordingly, the value of the stocks and other securities and instruments that a client holds may decline over short or extended periods.

Risks of Technological Developments: The financial success of companies in which we invest may depend, in part, on the ability of such issuers to continue to develop and implement services and solutions that anticipate and respond to rapid and continuing changes in technology, society and regulation. Any failure by such issuers to do so could adversely affect their ability to compete, their market share, or their results of operations, which may adversely affect performance in client accounts.

Risks Relating to Future Regulation: There has been significant public discussion about subjecting certain artificial intelligence related applications to additional regulation, including in the areas of privacy, security, and anti-discrimination. The future state of regulation in the space is unknown, and any additional restrictions could adversely affect investment opportunities.

Non-U.S. Investments: Investments in securities of non-U.S. issuers and the governments of non-U.S. countries involve special risks not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, difficulty in repatriating funds, social, political and economic instability, and adverse diplomatic developments; the possibility of the imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict investment opportunities. In addition, there may be different types of, and lower quality, information available about a non-U.S. company than a U.S. company. There is also less regulation, generally, of the securities markets in many foreign countries than there is in the United States, and such markets may not provide the same protections that are available in the United States. With respect to certain countries, there may be the possibility of political, economic, or social instability, the imposition of trading controls, import duties, tariffs, or other protectionist measures, various laws enacted for the protection of creditors, and greater risks of nationalization or diplomatic developments that could materially adversely affect investments in those countries. In addition, certain countries may restrict or prohibit investment opportunities in issuers or industries deemed important to national interests. Such restrictions may affect the market price, liquidity and rights of securities that may be purchased by a client. Investment in non-U.S. countries may also be subject to withholding or other taxes, which may be significant and may reduce the investment returns. Non-U.S. markets may also be affected, directly or indirectly, by trade disputes or tariffs, the effect of which may be difficult to predict. All of these non-U.S. risks are typically greater in less developed or emerging market countries.

Country Risk: Domestic events — such as war, political upheaval, financial troubles, natural disasters, or health crises — may weaken a country's securities markets. Because we may invest a large portion of a client's assets in securities of companies located in any one country, performance may be disproportionately impacted by the poor performance of investments in a single country.

Item 9 Disciplinary Information

There have been no disciplinary events against MGIU, its officers or directors.

Item 10 Other Financial Industry Activities and Affiliations

MGIU is part of a wider group of firms (M&G) that includes other investment advisers (M&G Investment Management, Ltd., ("MAGIM") which is an exempt reporting adviser, commodity pool operator and commodity trading advisor, as well as other financial services firms located around the world which are not material to MGIU's advisory business. MGIU is exempt from registration as a commodity trading advisor under the Commodity Exchange Act with the Commodity Futures Trading Commission.

Neither we, nor any management person, are registered as a broker-dealer or as representatives of a broker-dealer. M&G Investments (Americas) Inc., our direct parent, is not a registered broker-dealer but employs individuals that are registered representatives of an unaffiliated FINRA registered broker-dealer, Foreside Financial Services, LLC. These registered representatives facilitate the marketing of certain funds sponsored and/or managed by Group Affiliates.

MGIU serves as investment adviser to and receives compensation from Group Affiliates including MAGIM. In providing investment sub-advisory services to its Group Affiliate clients, MGIU draws upon the portfolio management, trading, research, model portfolio services, operational, and administrative resources of certain of its affiliates. In particular, MGIU receives services from MGFA via a master services agreement. Such services include mid and back-office functions, including asset valuation, investment operations (including corporate action processing and trade support), central compliance administration, and information technology and security. MGIU's Risk and Control Forum has oversight of the outsourced functions. MAGIM is also a Participating Affiliate of MGIU as that term is used in relief granted by the staff of the SEC allowing registered advisers to utilize certain advisory services, including but not limited to investment management, trading resources and model portfolio services, of unregistered advisory affiliates, subject to the regulatory supervision of the registered adviser. MAGIM employees who provide services to clients of MGIU are considered "associated persons" of MGIU for supervisory purposes, and MAGIM has agreed to submit to the jurisdiction of the SEC in connection therewith. Services provided by MAGIM to MGIU in its role as a Participating Affiliate of MGIU are provided via a master advisory agreement.

MGIU treats all its clients fairly and does not favor one affiliated client over another (see Section 11 for Conflicts of Interest).

Item 11 Code of Ethics, Participation or Interest in Client

Transactions and Personal Trading Code of Ethics

MGIU has adopted a Code of Ethics (the "Code") pursuant to Advisers Act Rule 204A-1 applicable to all employees, officers, and certain contractors, associated persons and affiliated employees (collectively, "Access Persons"). The Code addresses MGIU's and its Access Persons' fiduciary obligations to its clients. This includes implementation of provisions to address ethical standards and professional standard of behavior, conflicts of interest, personal account dealing, gifts and hospitality, political contributions, outside business activities, and the handling of material, non-public information ("MNPI"). The Code also requires all Access Persons to comply with the federal securities laws and to inform the Chief Compliance Officer of suspected violations of the Code. Certain provisions of the Code also apply to some employees of M&G that are not MGIU Access Persons.

MGIU permits employees to receive business gifts and hospitality as long as this is done in accordance with the requirements set out in its Gifts and Hospitality Standard. The receipt of gifts and hospitality pose a conflict of interest. Our policy enforces standards for the receipt of such gifts, including approval of some gifts and limitations on others, and the firm monitors the receipt of gifts

and hospitality for any conflict or impropriety. Soliciting or receiving gifts designed to influence the performance of duties is strictly prohibited.

Under the Code, certain personal securities transactions of Access Persons are prohibited, while others are subject pre-approval requirements, in accordance with the Personal Account Dealing Standard. Such restrictions apply to any account over which an Access Person and certain family members have investment discretion. Access Persons are required to pre-clear personal securities transactions (including IPOs and private placement transactions) prior to execution through a rules based automated personal dealing system, except as specifically exempted under the Personal Account Dealing Standard. MGIU recognizes there could be an employee-client conflict where a member of staff or related person may undertake personal account dealing for a security that MGIU or its Group Affiliates recommends to buy or sell for a client. In order to manage this conflict, the automated personal dealing system prevents an Access Person from undertaking certain personal account transactions in securities (depending on factors such as personal trade size, firm trade size, and issuer capitalization size) (including related securities such as derivatives) that the investment adviser has bought or sold (or proposes to buy or sell) for any portfolio for a period of time on either side of the transaction. Additionally, MGIU enforces a mandatory 30 day holding period following any new purchases.

Interest in any outside employment or business activity may create a conflict of interest when it interferes with an employee's ability to perform the duties of his or her job. To mitigate this conflict, the Personal Conflicts Standard incorporates strict requirements for individuals to disclose outside directorships where these interests could conflict with the interests of MGIU or one or more of its clients. Where such outside interests are material, MGIU may invoke specific dealing exclusions or limitations for the investment management activities of the member of staff concerned. To date there are no such outside interests that warrant the invocation of such controls.

From time to time and in accordance with the Code, there are instances when MGIU is precluded from trading in certain securities for its client accounts. These instances may arise if MGIU receives material nonpublic information ("MNPI") from an issuer or otherwise. M&G maintains a restricted dealing list, which consists of securities for which one or more persons at MGIU or its affiliates may hold MNPI. Employees of MGIU are not permitted to trade in those securities. It is a violation of

United States federal law and a serious breach of MGIU's policies for any employee to trade in, or recommend trading in, the securities of an issuer, for their personal gain or on behalf of MGIU or its clients, while in possession of MNPI.

All Access Persons must certify that they have received, read and understand our Code, upon commencement of employment, annually, and when the Code is materially amended. The Compliance department monitors compliance with the Code by reviewing the required initial, quarterly and annual reporting by Access Persons.

We will provide any client or prospective client a copy of our Code upon request.

Participation or Interest in Client Transactions

MGIU does not manage any "proprietary" investment accounts – i.e., accounts that are funded with MGIU's own money and are intended to create profits for MGIU. Accordingly, MGIU in the ordinary course of business does not buy or sell securities to or from client accounts on a principal basis. While employees may not participate in client transactions, MGIU may participate or have an interest in client transactions by conducting cross trades as follows.

Cross Trades

In certain circumstances, where we deem it advisable, we will enter into a cross trade on a client's behalf. Cross trades present an inherent conflict of interest because we (or an affiliate) act on behalf of both the selling and buying accounts in the same transaction. As a result, a cross trade could result in more favorable treatment of one client over the other. Additionally, there is a risk that the price at which a cross trade is executed may not be as favorable as the price available in the open market. To address such risks and conflicts, we have adopted policies and procedures which, among other requirements, acknowledge that we are a fiduciary, that any cross trade is subject to our duty to obtain best execution, requires clients to consent to cross trades before cross trades may be executed on their behalf, and prohibits us from collecting any commissions.

Item 12 Brokerage Practices

MGIU is authorized to select brokers and dealers and negotiate transaction prices, mark-ups and markdowns and brokerage commission rates for its clients. Factors which MGIU considers in approving broker-dealers include their respective financial strength, reputation, execution, pricing, and service. The commissions and/or transaction fees charged by some broker-dealers may be higher or lower than those charged by other broker-dealers. MGIU seeks to obtain best execution for client transactions, which is defined as the best combination of quality execution and prices given the particular circumstances of a transaction. Oversight of best execution, and other trading practices, is provided by MGIU's Risk and Control team and MGIU's Risk and Control Forum.

Trade Aggregation and Allocation

We combine multiple orders for shares of the same securities purchased for all client accounts we manage, as well as accounts advised by certain of our affiliates which are not clients of MGIU (such accounts "Non-Client Affiliate Accounts"), (the practice of combining multiple orders for shares of the same securities is commonly referred to as "aggregated trading") when we have the opportunity to do so. Our Best Execution and Order Handling Framework operates under the principle that all orders (regardless of client type and including Non-Client Affiliate Accounts) in designated investments should be effected in a manner which is prompt, fair and expeditious. In accordance with such policy, trades are generally allocated on a pro-rata basis, subject to order size, minimum trade size and incremental lot size restrictions. As a result, advisory client accounts may receive a smaller allocation than they might have if trading were not aggregated with Non-Client Affiliate Accounts.

Research and Soft Dollar Practices

We do not currently have formal "soft dollar" arrangements. MGIU currently provides services to Group Affiliate clients that are subject to MiFID II. Accordingly, MGIU and its Group Affiliates have put in place appropriate controls to ensure that the receipt and sharing of research complies with MiFID II's regulations.

Such third-party research is paid out of its profit and loss account (and not by any clients) and trades with such brokers are done on execution-only rates. To the extent any formal soft dollar arrangements are established in the future, any research and brokerage services received from brokers would be in accordance with Section 28(e) of the Securities Exchange Act of 1934.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers or counterparties.

Directed Brokerage

MGIU does not currently have any directed brokerage arrangements.

Item 13 Review of Accounts

Each of our portfolio managers and other investment personnel are responsible for managing assigned accounts in accordance with their investment objectives and guidelines. MGIU's portfolio managers regularly monitor the accounts under their supervision and review each account within their style of management as frequently as deemed appropriate for such account (which may be daily, monthly, or quarterly). Additionally, investment performance and risk of each account is reviewed on a monthly basis by MGIU's Risk and Control Forum.

Generally, all clients receive, at least quarterly, a summary outlining the activity in their accounts, including, where applicable, performance information which highlights the portfolio's return and characteristics as compared to the appropriate benchmarks (as applicable). In addition, MGIU generally will hold meetings with clients to review their portfolios on a periodic basis or at the request of the client.

Item 14 Client Referrals and Other Compensation

MGIU does not pay or receive any compensation other than that which it will receive from a Group Affiliate who is a client under a contractual engagement for providing investment advice.

Item 15 Custody

MGIU does not have custody of any client funds or securities. Group Affiliates retain their own custodians and MGIU does not make custodial recommendations.

Clients receive quarterly or monthly account statements from the broker-dealer, bank or other financial services firm that serves as qualified custodian to their account(s). Clients should carefully review those statements. Clients who receive additional reports from MGIU affiliates are urged to compare these reports to the account statements they receive from the qualified custodian.

Item 16 Investment Discretion

MGIU provides both discretionary and non-discretionary investment sub-advisory services to Group Affiliates who are clients. For non-discretionary services, ultimate investment decision rests with the respective fund managers and/ or investment committees of the applicable Group Affiliate. Such services are outlined in the applicable investment advisory contract.

When MGIU has discretionary authority over client accounts, it includes buying or selling securities, the amount of securities bought or sold, broker or dealer to be used and the commission rates paid on the client's behalf and at the client's risk, consistent with the client's investment guidelines.

MGIU has entered into trade delegation agreements under which certain Group Affiliates route orders in US securities and derivatives to MGIU's dealing desk for execution. In such instances,

those orders are typically aggregated with orders for MGIU's clients if provided for in our Best Execution and Order Handling Framework. As explained in Item 12 above, such aggregated orders are generally allocated to all accounts on a pro-rata basis, subject to order size, minimum trade size and incremental lot size restrictions, across both advisory client accounts and Non-Client Affiliate Accounts. MGIU also may route orders in certain asset classes to a Group Affiliate via a trade delegation agreement.

MGIU also provides non-discretionary model portfolio services to certain non-affiliated asset managers who are clients. Such services are outlined in the applicable master advisory agreement.

Our discretionary or non-discretionary authority is provided for in each client's investment management agreement or offering documents. Investment activity is not undertaken unless a signed investment management agreement is in place. Client investment restrictions are coded into trading systems used by MGIU in an effort to ensure adherence to client mandates.

Item 17 Voting Client Securities

MGIU provides investment advisory services to Group Affiliates who are clients. Proxy voting decisions, to the extent applicable to the assets managed by MGIU, are always taken by Group Affiliates.

MGIU does not vote proxy solicitations received on behalf of clients from the issuers of securities held in client accounts. Clients will receive voting materials directly from the broker-dealer and/or the transfer agent of record.

A copy of M&G's proxy voting policy is available to clients upon request.

Item 18 Financial Information

MGIU is an indirect wholly owned subsidiary of a public company in the U.K., M&G plc. Shares of M&G plc are listed for trading on the London Stock Exchange. The shareholder reports for M&G plc are available on the internet at <https://www.mandgplc.com>.

MGIU is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has MGIU been the subject of a bankruptcy petition at any time during the past ten years.

We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.