

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## M&G Senior Asset Backed Credit Fund

A Sub-Fund of European Specialist Investment Funds ("The Fund")

Share Class A (Dis) (GBP) (ISIN no: LU2008182888)

### Objectives and investment policy

**Investment Objective:** The Sub-Fund aims to provide a higher total return (the combination of income and capital growth) than that of the SONIA over any three-year period, net of fees.

The benchmark is a target which the Sub-Fund seeks to achieve. The rate has been chosen as the Sub-Fund's benchmark as it is an achievable performance target and best reflects the scope of the Sub-Fund's investment policy. The benchmark is used solely to measure the Sub-Fund's performance and does not constrain the Sub-Fund's portfolio construction.

The Sub-Fund is actively managed. The Investment Manager has complete freedom in choosing which assets to buy, hold and sell in the Sub-Fund, subject to the investment restrictions and guidelines set out in the Prospectus.

For unhedged and currency hedged share classes, the share class performance is shown against a reference rate calculated in the share class currency.

**Investment Policy:** The Sub-Fund invests in Asset-Backed Securities and other floating rate instruments that are Investment Grade and denominated in any currency.

- In usual market conditions, at least 70% of the portfolio will be invested in Asset Backed Securities and at least 80% of the portfolio is expected to be subject to a credit rating of at least AA-; this is a credit rating which is above that included in the definition of "Investment Grade" in the Prospectus.

- The Sub-Fund may invest up to 10% of its assets in securities that are not rated by any recognised rating agency, in which case a comparable internal credit rating will be used. Issuers of these securities may be located in any country, including emerging markets.

- The Sub-Fund does not take currency views and aims to hedge any non-GBP assets back to GBP.

- The Sub-Fund may use derivatives to meet its investment objective, for efficient portfolio management and for the purposes of hedging. These instruments may include but are not limited to spot and forward contracts, options, exchange traded futures, credit default swaps, and interest rate swaps.

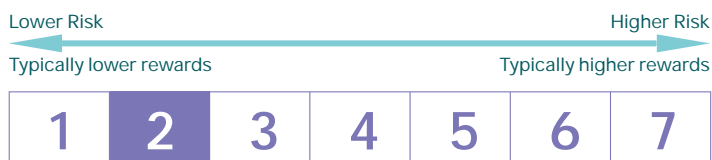
The Sub-Fund may also invest in other assets including, Collective Investment Schemes, cash and near cash, deposits and other debt instruments.

**Other Information:** Shares in the Sub-Fund may be redeemed each business day. Redemption requests must be received by 11:00am Luxembourg time.

For income shares, any income from the Sub-Fund may be paid out.

The reference currency of the Sub-Fund is GBP but subscription and redemption payments may be made in share class currency only.

### Risk and reward profile



- The risk category was calculated using simulated historical performance data and it may not be a reliable indicator of the Sub-Fund's future risk profile. This Sub-Fund was categorised in risk class 2 because, in accordance with the investment policy, the value of the investments may fluctuate very slightly. Consequently, both the expected return and the potential risk of loss may be slight.

- The risk category shown is not guaranteed and may shift over time.

- The lowest category does not mean 'risk free'.

Risks materially relevant to the Sub-Fund which are not adequately captured by the indicator:

- **Asset-Backed Securities Risk:** Asset-Backed Securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds.

- **Market risk:** The value of investments and the income from them will rise and fall. This will cause the Sub-Fund price, as well as any income paid by the Sub-Fund, to fall as well as rise. There is no guarantee the Sub-Fund will achieve its objective, and you may not get back the amount you originally invested.

- **Credit Risk:** The value of the Sub-Fund may fall if the issuer of a fixed income security held is unable to pay income payments or repay its debt (known as a default).

- **Interest Rate Risk:** When interest rates rise, the value of the Sub-Fund is likely to fall.

- **Derivatives Risk:** The Sub-Fund may use derivatives to gain exposure to investments and this may cause greater changes in the Sub-Fund's price and increase the risk of loss.

- **Counterparty Risk:** Some transactions the Sub-Fund makes, such as placing cash on deposit, require the use of other financial institutions. If one of these institutions defaults on their obligations or becomes insolvent, the Sub-Fund may incur a loss.

- **Liquidity Risk:** A Sub-Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions.

## Charges

The charges you pay are used to pay the costs of running the Share Class, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment. The entry and exit charges shown are the maximum figures that may be charged. A conversion charge of 1% may be applied at the discretion of the Board of Directors. In some cases you may pay less – you can find this out from your financial adviser.

One-off charges taken before or after you invest	
Entry charge	None
Exit charge	None
This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charges	0,20%
Charges taken from the fund under certain specific conditions	
Performance fee	None

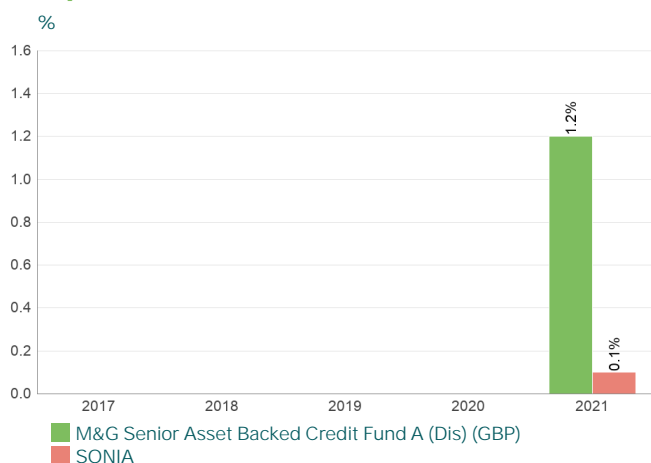
The entry and exit charges shown are the maximum figures that may be charged. A conversion charge of 1% may be applied. In some cases you may pay less – you can find this out from your financial adviser.

The ongoing charges figure is a fixed annual charge. However, it excludes:

- Portfolio transaction costs and any extraordinary expenses (e.g. litigation expenses).

For more information about charges please refer to the relevant section of the Fund's Prospectus.

## Past performance



- Past performance is not a guide to future performance.
- The past performance calculation does not include entry and exit charges but it does take into account the annual charge as shown in the charges section.
- Past performance is calculated using GBP.
- The Sub-Fund was launched in 2020 and the Share Class was launched in 2020.
- For Currency Hedged Share Classes, the benchmark rate is shown in the Share Class currency as stated in the Prospectus.
- Prior to 1st November 2021, the Benchmark was 3-month GBP LIBOR.

## Practical information

The Depository of the Sub-Fund is State Street Bank International GmbH, Luxembourg branch.

Further information about this Sub-Fund, including a copy of the Prospectus, and latest annual or interim financial statements in English can be obtained free of charge from Fund's registered office at 16 boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg and are also available on the Fund Promoter's website: <http://www.mandg.lu/institutions/product-literature/>. The most recent Prospectus is available in English only.

Practical Information such as the Sub-Fund's Net Asset Value is available from the Central Administrator, State Street Bank International GmbH, Luxembourg branch.

This Sub-Fund is subject to Luxembourg tax laws, which may have an impact on your personal tax position. Please speak to an advisor for further information.

M&G Senior Asset Backed Credit Fund is a Sub-Fund of European Specialist Investment Funds. The Fund is managed by M&G Luxembourg S.A. (the "Management Company"). The Fund is an umbrella fund offering various Sub-Funds whose assets and liabilities are legally segregated between each other. The Prospectus and the periodic reports are prepared for the entire Fund.

Other share classes are also available for this Sub-Fund and other Sub-Funds. It is possible to convert your shares into shares of a different share class or a share class of a different Sub-Fund. Details of how to do this are in section 5.3 'Conversion of Shares' in the Prospectus. For further information on such share classes, please refer to the relevant section of the Prospectus.

The Fund may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with relevant parts of the Prospectus for the Fund.

A summary of the Management Company's remuneration policy and related disclosures can be found at <http://www.mandg.lu/remuneration>. A paper copy is available free of charge upon request.

This Fund is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF). M&G Luxembourg S.A. is authorised in Luxembourg and regulated by the CSSF (Grand Duchy of Luxembourg).

This key investor information is accurate as at 14.02.2022.