

# M&G (Lux) European Strategic Value Fund

EUR Class A – Accumulation shares



Monthly Fund Review as at 31 March 2026

Marketing Communication - for Professional Investors only

## Highlights

- Global equities fell sharply in March, following the US and Israel strikes on Iran at the end-February. Stockmarkets fell heavily across most regions, with the US outperforming the rest of the world, whilst Europe was held back by some of its core markets.
- Our stock selection in financials, consumer staples and utilities were the top relative contributors. Within utilities, RWE was our largest individual relative contributor after announcing aggressive expansion into the US markets fuelled by power demand for data centres. Within financials, Irish bank AIB supported relative returns as it posted strong FY results and launched a share buyback programme. In contrast, our stock selection in materials was the top relative detractor, particularly ArcelorMittal, as the stock came under pressure from surging energy costs and weakened industrial demand.
- We started a new position in skincare business Beiersdorf, alcoholic beverage company Diageo and National Bank of Greece, all available at attractive valuations, in our view. We completely exited Bilfinger and Spire healthcare as they had performed well for us.

## The main risks associated with this fund

The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.

The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.

Investing in this fund means acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned by the fund.

Further risk factors that apply to the fund can be found in the fund's Prospectus.

## Key information

<b>Fund manager(s)</b>	Richard Halle
<b>Fund manager tenure from</b>	31 January 2008
<b>Deputy fund manager(s)</b>	Shane Kelly
<b>ISIN</b>	LU1670707527
<b>Launch date of fund</b>	18 September 2018
<b>Launch of share class</b>	20 September 2018
<b>Fund size (millions)</b>	€ 6.737,70
<b>Fund type</b>	SICAV
<b>Benchmark</b>	MSCI Europe Net Return Index
<b>Sector</b>	Morningstar Europe Large-Cap Value Equity sector
<b>Number of companies</b>	99
<b>Portfolio turnover over 12 months</b>	15,36%
<b>SFDR Article Classification</b>	8
<b>Recommended Holding Period</b>	5 years

\*Manager tenure\* includes the period when managing an equivalent UK-authorized OEIC. Please see 'Important information' at the end of this document for further details.

## Charges

<b>Maximum entry charge</b>	4,00%
<b>Management fees and other costs</b>	1,63%
<b>Transaction costs</b>	0,21%

## Risk characteristics

As at 31/03/2026	Fund
Alpha (%)	6,71
Information ratio	1,38
Sharpe Ratio	1,36
Historic tracking error (%)	4,60
Beta	0,86
Standard deviation (%)	9,99
Forecast tracking error (active risk, %)	3,68
Active share (%)	74,73

## Fund ratings as at 31 March 2026

Morningstar Medalist Rating™	Analyst-Driven %
<b>Bronze</b>	100
	Data Coverage %
	100

Overall Morningstar rating **★★★★**

Source of Morningstar ratings: Morningstar

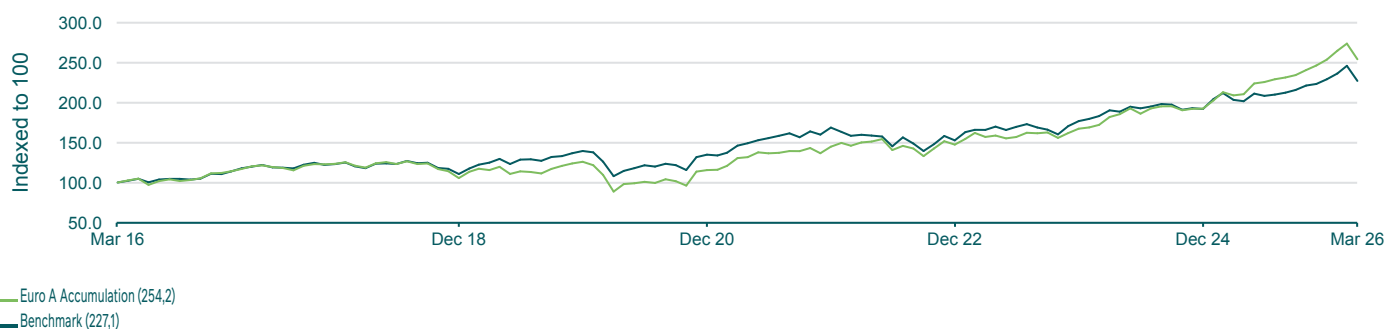
Ratings should not be taken as a recommendation.

Past performance is not a guide to future performance.

## Single year performance (10 years)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
■ Euro A Accumulation	32,0%	15,0%	13,5%	1,8%	25,4%	-8,3%	19,3%	-14,4%	10,7%	3,5%
■ Benchmark	19,4%	8,6%	15,8%	-9,5%	25,1%	-3,3%	26,0%	-10,1%	10,9%	3,2%
■ Sector	24,8%	7,5%	15,1%	-7,9%	22,8%	-7,8%	20,8%	-14,4%	9,3%	3,2%

## Performance over 10 years



## Fund performance (10 years)

	1 month	3 months	YTD to QTR end	YTD	1 year	3 years p.a.	5 years p.a.	10 years p.a.
■ Euro A Accumulation	-7,2%	0,2%	0,2%	0,2%	21,6%	17,4%	14,3%	9,8%
■ Benchmark	-7,7%	-0,9%	-0,9%	-0,9%	11,7%	11,1%	9,2%	8,5%
■ Sector	-6,7%	0,3%	0,3%	0,3%	15,7%	12,9%	9,5%	7,4%

The benchmark is a comparator against which the fund's performance can be measured. It is a net return index which includes dividends after the deduction of withholding taxes. The index has been chosen as the fund's benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

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

Fund performance prior to 20 September 2018 is that of the EUR Class A Accumulation of the M&G European Strategic Value Fund (a UK-authorized OEIC), which merged into this fund on 7 December 2018. Tax rates and charges may differ. From 1 January 2012 to 19 September 2018 the benchmark is the MSCI Europe Index stated as Gross Return. From 20 September 2018, the benchmark is the MSCI Europe Net Return Index.

Source: Morningstar, Inc and M&G, as at 31 March 2026. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in EUR terms.

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## Country breakdown (%)

	Fund	Index	Relative weight
UK	21,9	23,3	-1,4
Germany	16,5	13,8	2,8
France	14,5	15,4	-0,9
Netherlands	11,7	7,6	4,1
Ireland	5,1	0,7	4,4
Spain	4,3	5,9	-1,6
Finland	4,0	1,8	2,2
Switzerland	3,7	14,3	-10,5
Other	14,2	17,2	-3,0
Cash	4,1	0,0	4,1

Breakdown in table is based on country of listing.

## Industry breakdown (%)

	Fund	Index	Relative weight
Financials	20,5	23,1	-2,6
Industrials	14,5	18,8	-4,2
Consumer staples	11,8	9,0	2,7
Health care	11,1	13,8	-2,6
Materials	11,0	5,5	5,5
Consumer discretionary	8,7	6,6	2,1
Utilities	5,6	5,3	0,3
Energy	4,3	5,8	-1,5
Information technology	3,4	7,6	-4,2
Communication services	2,6	3,8	-1,1
Real Estate	2,3	0,7	1,7
Cash	4,1	0,0	4,1

## Capitalisation breakdown (%)

	Fund	Index	Relative weight
> €50 billion	27,3	60,6	-33,3
€25 - €50 billion	28,7	20,6	8,1
€5 - €25 billion	24,6	18,4	6,2
€2.5 - €5 billion	6,1	0,5	5,7
< €2.5 billion	9,2	0,0	9,2
Cash	4,1	0,0	4,1

## Currency breakdown (%)

	Fund	Index	Relative weight
Euro	67,4	52,8	14,6
British pound	22,0	22,8	-0,8
Swiss franc	3,8	14,3	-10,5
Danish krone	3,1	2,5	0,6
Swedish krona	2,6	4,9	-2,3
Norwegian krone	0,6	1,2	-0,6
US dollar	0,5	1,6	-1,0
Singapore dollar	0,0	0,0	0,0

## Largest overweights (%)

	Fund	Index	Relative weight
Arcelormittal	3,2	0,2	3,0
BBVA	2,9	0,9	2,0
Tesco	2,1	0,3	1,8
Bank of Ireland Group	2,0	0,1	1,8
Nordea Bank ABP	2,2	0,4	1,8
Erste Group Bank	2,0	0,3	1,8
Magnum ICE Cream Company	1,7	0,1	1,7
Buzzi Unicem	1,6	0,0	1,6
Compagnie Generale des Etablissements Michelin	1,7	0,2	1,6
Daimler Truck Holding	1,7	0,2	1,5

## Largest underweights (%)

	Fund	Index	Relative weight
ASML	0,0	3,8	-3,8
Novartis	0,0	2,2	-2,2
HSBC	0,0	2,1	-2,1
Nestle	0,0	1,9	-1,9
SAP	0,0	1,4	-1,4
Banco Santander	0,0	1,2	-1,2
Allianz	0,0	1,2	-1,2
Iberdrola	0,0	1,1	-1,1
Schneider Electric	0,0	1,1	-1,1
Deutsche Telekom	0,0	1,0	-1,0

## Largest holdings (%)

	Fund	Index	Relative weight
Arcelormittal	3,2	0,2	3,0
BBVA	2,9	0,9	2,0
Siemens	2,6	1,4	1,2
Nordea Bank ABP	2,2	0,4	1,8
Tesco	2,1	0,3	1,8
TotalEnergies	2,1	1,4	0,7
Erste Group Bank	2,0	0,3	1,8
Bank of Ireland Group	2,0	0,1	1,8
Shell	2,0	2,1	-0,1
Glaxosmithkline	1,8	0,8	1,0

## Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Management fees and other costs	Historic yield	Minimum initial investment	Minimum top up investment
Euro A Acc	LU1670707527	MGSVEAA LX	EUR	20/09/2018	1,63%*	-	€1.000	€75
Euro A Inc	LU2057292596	MGSVEAD LX	EUR	06/12/2019	1,63%*	3,30%	€1.000	€75
Euro B Acc	LU2057292679	MGSEEB A LX	EUR	06/12/2019	2,13%*	-	-	-
Euro C Acc	LU1670707873	MGSVECA LX	EUR	20/09/2018	0,88%*	-	€500.000	€50.000
Euro C Inc	LU2057292752	MGSECD LX	EUR	06/12/2019	0,88%*	3,26%	€500.000	€50.000
Euro CI Acc	LU1797811236	MGSECIA LX	EUR	20/09/2018	0,84%*	-	€500.000	€50.000
Euro CI Inc	LU2057292836	MGSVECI LX	EUR	06/12/2019	0,84%*	3,26%	€500.000	€50.000

Management fees and other administrative or operating costs figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, as well as portfolio transaction costs. They are based on expenses for the period ending 06 January 2026. Any ongoing costs figure with\* indicates an estimate. Not all costs are presented. The fund's annual report for each financial year will include details of the exact charges. Please note that not all of the share classes listed above might be available in your country. Please see the 'Important information' at the end of this document, the fund's Prospectus and the KID for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

## Approach to responsible investment

	Yes	No	N/A
ESG integration	✓		
Additional ESG specifications	✓		
Exclusions	✓		
Cluster munitions & anti personnel landmines	✓		
Other exclusions or restrictions	✓		
Voting	✓		
Engagement	✓		

Please see glossary for further explanation of these terms.

**SFDR Article Classification: Article 8 fund.** The decision to invest in this fund should be based on all objectives and characteristics and not solely its non-financial objectives and characteristics.

## Climate metrics

	Weighted Average Carbon Intensity (tCO <sub>2</sub> e / US\$m sales)	Coverage by portfolio weight (%)
Euro A Accumulation	219,46	100,00%
Benchmark	93,83	100,00%

Source: We use a variety of data sources to gather and map the carbon emissions of our funds. This allows for data gaps from some data providers on some issuers. We currently use MSCI as our main third-party data provider for carbon intensity data as we consider its coverage to be the broadest of the current providers.

## ESG Standard Glossary

**Additional ESG specifications:** In the context of M&G, these are funds that are managed in accordance with specific ESG criteria or, where relevant, with an explicit ESG objective. They will have a number of minimum exclusions in place.

**Engagement:** Interaction with company management on various financial and non-financial, including ESG, issues. Engagement allows investors to better understand how a company is undertaking its operations and how it is interacting with its stakeholders, as well as advising on and influencing company behaviour and disclosures where appropriate.

**ESG integration:** Describes the explicit and systematic inclusion of Environmental, Social and Governance factors in investment analysis and investment decisions. It underpins a responsible investment approach, and allows investors to

better manage risk and generate sustainable, long-term returns.

**Exclusions:** The exclusion or restriction of investments based on the sector in which they operate, the products or services they provide or for other specific criteria, i.e. they are deemed to be in breach of the United Nations Global Compact principles on human rights, labour the environment and anti-corruption.

**Voting:** As the partial owners of a company, shareholders have the right to vote on resolutions put forward at a company's annual general meeting. These resolutions include the re-election of directors, executive remuneration and business strategy, among others, and may include resolutions put forward by shareholders.

## Explanation of our climate metrics

The Weighted Average Carbon Intensity (WACI) is the metric used to report our funds' carbon emissions. It is a measure of how much CO<sub>2</sub> is being emitted per US\$ million of sales by each company that the fund invests in. This can be used to determine the likely effect a company is having on the environment. It can also help to compare the impact different companies have on the environment, and to compare companies against the broad market or the financial benchmark for the fund. However, this metric does not take into account the difference in carbon characteristics among sectors.

The WACI metric is one of many greenhouse gas emissions data points, each offering a different aspect of analysis on climate impact. M&G have selected this metric as it is applicable to multi-asset, equity and fixed income funds and it is aligned to the recommendations from the Taskforce for Climate Related Financial Disclosures (TCFD). It has also been chosen to align with M&G's groupwide target of transparency when it comes to the disclosure of climate emissions.

For the avoidance of doubt, this fund is not managed to a carbon emission objective and, the benchmark WACI (should funds have a benchmark) has been included for information purposes only.

## Fund description

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The fund aims to provide combined income and capital growth that is higher than that of the European stockmarket (as measured by the MSCI Europe Net Return Index) over any five-year period while applying ESG (environmental, social and governance) criteria. At least 80% of the fund is invested in a value-style portfolio of shares in companies domiciled, or conducting the major part of their economic activity, in Europe. The fund is invested in cheap, out-of-favour companies whose share price, in the investment manager's view, does not reflect the underlying value of the business. Stocks are selected on the basis of their individual merits, through a combination of value-focused screening and qualitative assessment. The fund invests in securities that meet the ESG criteria, applying an exclusionary approach and positive ESG tilt as described in the prospectus. The fund's recommended holding period is five years.

## Glossary

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Please find a link to our [glossary page](#) which provides an explanation of terms used in this document across our fund ranges.

## Important information

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**On 7 December 2018 the non-sterling assets of the M&G European Strategic Value Fund, a UK-authorized OEIC which launched on 2 January 2008, merged into the M&G (Lux) European Strategic Value Fund, a Luxembourg-authorized SICAV, which launched on 18 September 2018. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorized OEIC. The past performance for the fund and the index includes recoverable withholding tax which may not be applicable to the SICAV.**

The M&G (Lux) European Strategic Value Fund is a sub-fund of M&G (Lux) Investment Funds 1.

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The Morningstar Overall Rating based on the fund's Euro Class A shares. Copyright © 2026 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

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English copies of the Instrument of Incorporation, Prospectus, annual or interim Investment Report and Financial Statements, plus the Key Information Document/s in Greek, are available free of charge in paper form from the Greek Representative: Eurobank Ergasias S.A. 8, Othonos Street, 10557 Athens.

Before subscribing investors should read the Key Information Document and the Prospectus, which includes a description of the investment risks relating to these funds.

M&G Luxembourg S.A. may terminate arrangements for marketing under the new Cross-Border Distribution Directive denotification process.

Complaints handling information and summary of investors' rights are available in English from [www.mandg.com/investments/private-investor/en-gr/complaints-dealing-process](http://www.mandg.com/investments/private-investor/en-gr/complaints-dealing-process)

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UCITS HAVE NO GUARANTEED RETURN AND PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE

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