

M&G LAUNCHES EQUITY IMPACT FUND TO TACKLE CLIMATE CHANGE

- ***Fund to invest for a cleaner future whilst seeking attractive investment returns***
- ***Will invest in clean energy, green technology and the promotion of the circular economy***

London, 16 November 2020 – M&G Investments today announces the launch of an equity strategy with a dual purpose – to invest in companies that aim to provide solutions to the challenge of climate change and seeks to deliver attractive investment returns.

The M&G Climate Solutions Fund, managed by Randeep Somel, is a concentrated portfolio of around 30 companies diversified around three main impact areas: clean energy, green technology and the promotion of the circular economy. M&G will annually report each company's net positive climate impact and revenue alignment with climate-related UN Sustainable Development Goals, a framework embraced by this Fund.

The Fund follows the same investment approach and process as M&G's £306 million Positive Impact strategy¹, managed by John William Olsen who will deputise for Somel. Investible companies are assessed to be one of the following:

- **Pioneers** – whose products or services have a transformational effect on society or the environment
- **Enablers** – which provide the tools for others to deliver positive social or environmental impact
- **Leaders** – which spearhead and mainstream impact and sustainability in their industries

The M&G Positive Impact Fund launched in November 2018 and has delivered 35.10% net of fees against the MSCI ACWI Index return of 20.36% since inception to the end of October 2020².

Randeep Somel, Fund Manager, say: “The green agenda and the need to provide solutions to the challenge of climate change has unlocked the creativity and ingenuity of many companies who have these solutions at the heart of what they do. This is a multi-decade opportunity for companies who deliver innovative products and services – and for those who invest in them.”

Ben Constable-Maxwell, Head of Sustainable and Impact Investing, says: “As the world focuses on the scale of the sustainability challenges faced by our planet, positive impact finance has an opportunity to put financial firepower behind pioneering businesses providing solutions to those challenges. This Fund provides our customers with the opportunity to address the climate emergency while putting their savings to work with a purpose.”

The investible universe for the Fund is defined by M&G’s 10-strong Positive Impact team, led by Ben Constable-Maxwell, which reaches consensus on the impact of all potential investments by undertaking a three-point analysis covering the investment case, intentions and impact of each company. This framework is a practical means of scoring candidate companies and creating a watch-list of high quality, sustainable companies for the manager to choose from when the timing and opportunity are right.

-ENDS-

If you require any further information, please contact:

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Notes to Editors

¹ The M&G Positive Impact Fund and the M&G (Lux) Positive Impact Fund combined as at 31 October 2020

² Source: Morningstar, I share class, based on product returns net of fees, income reinvested.

The M&G Climate Solutions Fund has two aims:

- Provide a combination of capital growth and income to deliver a return net of the Ongoing Charges figure that is higher than the MSCI World Index over any five-year period; and
- Invest in companies that aim to deliver solutions to the challenge of climate change

Randeep Somel, Fund Manager, M&G Climate Solutions Fund

Randeep joined M&G’s Equity Impact Committee and the Select investment team as associate portfolio manager of M&G Global Select Fund, M&G Pan European Select Fund and M&G Positive Impact Fund in 2019. Having joined M&G’s global equity team in 2005, he has held fund management and deputy

management responsibilities across a range of mandates, most notably M&G Global Themes between 2013 and 2017. Randeep studied economics from Birmingham University and is a CFA charterholder.

About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £339 billion of assets under management (as at 30 June 2020). M&G plc has over 5 million customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

For more information, please visit: <https://global.mandg.com/>

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