

M&G provides NOK 1 billion loan to leading Norwegian ferry business Fjord1

London, 4 April 2022 – M&G today announces a NOK 1 billion (Norwegian Krone, circa £88 million) senior secured loan to Fjord1 AS (“Fjord1”) – the largest and greenest ferry operator in Norway. The investment has been made on behalf of the firm’s Catalyst investment strategy and external institutional client funds managed by M&G.

For a country whose landscape is dominated by long fjords and many islands, ferries are a critical component of the transport infrastructure, meaning that many of Fjord1’s ferry services are under contract with public sector bodies. Fjord1’s history dates back to 1858 and the firm has a market share of around 45%, carrying approximately 16 million passengers each year.

The Norwegian government’s ambition is to reduce emissions from the industry by half by 2030 and promote the development of low and zero-emission solutions for all vessels. Since 2018, Fjord1 has significantly increased its investment into new electric ferries, while also retrofitting older ferries. Fjord1 is now leading the way with 34 of its 83 vessels now being hybrid-electric – the largest proportion across the industry – a figure that is set to increase to around 50 per cent of its fleet in the short-term.

Beata Sperling-Tyler, Associate Director in M&G’s Infrastructure Finance team, says: “We are pleased to provide financing to a company that’s embracing the changes required to reduce its impact on the environment and create a sustainable future for the industry. Given the dynamics of the domestic ferry industry in Norway and Fjord1’s leading position, this investment should provide a resilient and stable income stream for our investors.”

Anne-Mari Sundal Bøe, Chief Financial Officer of Fjord1, says: “We are pleased to have completed this successful refinancing with M&G and other tier-1 international lenders. The refinancing ensures that the Fjord1 can continue to grow its leadership position and further increase its sustainability impact in the coming years.”

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If you require any further information, please contact:

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Notes to Editors

The Catalyst investment strategy sits within the Private & Alternative Assets division at M&G. With over two decades of experience in private asset investment, M&G already manages over £71 billion in private credit, private equity and real estate on behalf of Prudential policyholders and external clients. Drawing on this expertise and track record in private assets, Catalyst has a mandate from the Prudential With-Profits Fund to invest up to £5 billion in innovative private companies which are working to create a more sustainable world.

Size of Private & Alternative Assets division as at 31 December 2021.

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 over £370 billion of assets under management (as at 31 December 2021). M&G plc has 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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