

## M&G enhances the ESG characteristics of nine Fixed Income and Multi Asset funds

**London, 13/12/2022** – M&G today announces its plan to enhance the ESG characteristics of seven Fixed Income and two Multi Asset funds, as part of its wider commitment to evolve strategies towards ESG, sustainable or impact outcomes. Once these changes take effect, all of the strategies will be classified as Article 8 under SFDR.

In addition to their existing restrictions on investing in thermal coal<sup>1</sup> the nine funds transitioning to Article 8 will introduce a set of ESG exclusions based on specific norm-based, sector-based and/or values-based exclusions, restricting the funds’ ability to invest in companies whose business is involved in tobacco, adult entertainment, gambling, controversial weapons or Arctic drilling & oil sands extraction<sup>2</sup>. The exclusions also include any companies that are assessed to be in breach of the United Nations Global Compact principles. All the funds’ financial objectives will remain the same and where applicable, benchmarks will be unchanged.

**Micaela Forelli, Managing Director Europe at M&G**, says: “This is a another step in M&G delivering on its commitment to grow its offering on ESG, sustainable and impact strategies, making more choices available to our clients. We do believe responsible investment brings value and contributes to managing our client and customers’ savings more efficiently over the long term.”

Changes will apply to the following nine funds:

<b>Public Fixed Income Range</b>
M&G European Credit Investment Fund
M&G European High Yield Credit Investment Fund
M&G Senior Asset Backed Credit Fund
M&G (Lux) Euro Corporate Bond Fund
M&G (Lux) European Inflation Linked Corporate Bond Fund
M&G (Lux) Global Macro Bond Fund
M&G (Lux) Short Dated Corporate Bond Fund
<b>Multi Asset Range</b>

<sup>1</sup> The existing restrictions on investing in thermal coal are set out in [M&G’s Thermal Coal Policy](#).

<sup>2</sup> Subject to maximum thresholds for revenue derived from some of these activities.- Further information on the ESG methodology, including data sources, screening criteria and sustainability indicators of the funds will be disclosed in the relevant ESG Criteria and Sustainability Criteria of each Fund.

M&G (Lux) Dynamic Allocation Fund
M&G (Lux) Income Allocation Fund

ESG information from third-party data providers may be incomplete, inaccurate or unavailable. There is a risk that the investment manager may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the portfolio of the 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 views expressed in this document should not be taken as a recommendation, advice or forecast. Please note, investing in this fund means acquiring units or shares in a fund, and not in a given underlying asset such as a building or shares of a company, as these are only the underlying assets owned by the fund.

**-ENDS-**

**If you require any further information, please contact:**

M&G Corporate Affairs

**Notes to Editors**

M&G has evolved several other strategies towards more ESG-enhanced, sustainably-focused and impact outcomes this year, including:

- Addition of new ESG exclusions to M&G (Lux) Optimal Income Fund (November 2022)
- Addition of new sustainable objectives to the M&G (Lux) Sustainable Allocation Fund to align it to SFDR Article 9 (May 2022)
- Enhancement of the ESG characteristics of multiple equity funds to transition to SFDR Article 8 (September 2022)

**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 €405 billion of assets under management (as at 30 June 2022). 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/>

To find out more on the financial terms used in this press release, please go to the **glossary**.

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