

M&G Investments and the Japan Stewardship Code



Introduction

On 26 June 2025, Japan's Financial Services Agency (FSA) finalised and published the third revised version of Japan's Stewardship Code, following two revisions to the Code in 2017 and 2020. The Code was first released by the FSA in February 2014.

The latest revision is intended to focus on substance over form, to encourage self-motivated thinking in line with the principles-based nature of the Code, which has led for the first time, to a streamlining of the Code.

The other key changes aim to foster constructive engagement between investors and investee companies by explicitly positioning collaborative engagement as an important option. A law revision which clarified the scope of joint holders in the context of large reporting rules paved the way for the change on collaborative engagement. Additionally, making transparent the beneficial shareholders as investors are encouraged to disclose shareholdings to companies upon request, is intended to enhance the effectiveness of engagement.

The Code is designed to promote the sustainable growth of companies through investment and engagement. As the Code enters its tenth year since adoption, the changes are fitting of the natural development into the next stage of substance over form, as investors and investee companies alike adopt proactive mindsets for stewardship.

Through eight principles, the Code highlights the responsibilities of institutional investors to enhance medium to long-term investment returns for their clients and beneficiaries, by encouraging the sustainable growth of investee companies.

This is to be achieved through constructive engagement, or purposeful dialogue, based on in-depth knowledge of the companies and their business environment, and consideration of sustainability, including ESG, within their investment management strategies.

At M&G Investments as an asset manager, we seek to add value for our clients by pursuing an active investment policy through portfolio management decisions, maintaining a constructive dialogue with management and by voting on resolutions at general meetings. Our investment teams and dedicated Stewardship and Sustainability team are committed to active engagement with investee companies to enhance value for our clients.

We recognise the importance of accountability to our clients for the stewardship of their assets and comply fully with all of the Code's principles in respect of Japan-listed equity investments. M&G's approach to stewardship and governance is detailed in the Responsible Investment section of our website (See ESG Integration and Sustainable Investing). Our compliance with the principles of the Japan Stewardship Code is detailed on the following pages.

Principles of the Japan Stewardship Code

1. Institutional investors should have a clear policy on how they fulfil their stewardship responsibilities, and publicly disclose it.
2. Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.
3. Institutional investors should monitor investee companies so that they can appropriately fulfil their stewardship responsibilities with an orientation towards the sustainable growth of the companies.
4. Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.
5. Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.
6. Institutional investors in principle should report periodically on how they fulfil their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.
7. To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.
8. Service providers for institutional investors should endeavour to contribute to the enhancement of the functions of the entire investment chain by appropriately providing services for institutional investors to fulfil their stewardship responsibilities.

Source: Financial Services Agency

Principle 1

Institutional investors should have a clear policy on how they fulfil their stewardship responsibilities, and publicly disclose it.

M&G manages funds on behalf of clients on an active basis. As noted, our approach is set out in 'M&G Investments ESG Integration and Sustainable Investing Policy', providing guidance on our expectations of the companies we invest in, how we monitor investee companies and our engagement activities with those companies that fail to meet our expectations. We endeavour to extend these principles as widely as possible, taking into consideration relevant local differences, including regulations and legal frameworks, company structures and market practice.

For active funds, we seek to add value for our clients by pursuing an active investment policy, through portfolio management decisions, by maintaining a constructive dialogue with management and by voting on resolutions at general meetings. Decisions on initial investment, ongoing ownership and, ultimately, divestment are made on an informed basis and following extensive research, which continues throughout the period in which we are invested. Meetings with companies occur on a regular basis, enabling us to monitor company developments over time and assess progress against objectives.

Stewardship activities of monitoring and engaging with investee companies, as well as voting at shareholder meetings and reporting to clients, are undertaken by the investment teams, analysts and members of our Stewardship and Sustainability team on an integrated basis. To ensure an integrated approach, regular investment meetings are held with investee companies (and meetings with potential investee companies), with representation from each team.

Approach to Stewardship for Equity Investments

Our approach to stewardship continues to evolve and we regularly reflect on our activities, reviewing and revising our policies when appropriate. We outline below how our stewardship responsibilities are discharged at the different stages of the life of an investment (the decision to invest, the decision to hold an investment, and ultimately the decision to divest):

1. Investment decision to buy shares in a company

Investment decision-making is undertaken by our fund managers, who determine whether a company is appropriate for a specific fund mandate. In general, at M&G, the intention is to hold an investment over the

medium to long term. We only invest in companies after undertaking extensive research based on information, research and analysis from both our in-house analysts and external sources. This is likely to include reviewing a company's published materials, brokers' research, meeting with directors and visiting company premises. The effort that goes in at the start of the investment process forms the base from which our stewardship activities build. We seek to fully understand our investments, their opportunities and risks.

2. Monitoring investments

Regular monitoring, including open and purposeful dialogue with investee companies, enables us to determine whether an investment remains appropriate. Further details of our investment monitoring process are outlined in Principle 3.

Corporate governance is a key factor in investment decisions at M&G, and environmental and social factors are increasingly important. Our Stewardship and Sustainability team, which is responsible for aspects of monitoring, is integrated into the investment team. The Stewardship and Sustainability team is focused on company engagement and voting activities. Members of this team will discuss issues with the investment team throughout the day and will routinely attend company meetings hosted by the investment teams, as well as initiating meetings with non-executive directors on specific areas of engagement (which may also be attended by the investment teams). As part of our role as long-term investors, M&G also plays an important part in providing capital through the equity markets for the benefit of our investee companies and, therefore, our investors. M&G is prepared to be wall-crossed and receive price sensitive information by investee companies for short periods of time ahead of the information being made public. In this way, we can provide equity capital to our investee companies to help fund their growth phases.

Engagement

M&G will proactively engage on any issue which may, potentially, affect a company's ability to deliver long-term sustainable performance and value. Further details on the range of issues that might be covered in company engagement, along with when and how activities are escalated, are provided in Principle 4. When companies consistently fail to achieve our reasonable expectations, we will actively promote changes. These changes might range from the formulation of a new strategy to the appointment of new directors. It remains the prerogative of the

investment team to sell shares based on their valuation assessment.

Voting

Alongside our monitoring and engagement activities, we exercise our right as a shareholder to vote on resolutions on behalf, and in the interests, of our clients, thereby holding companies to account.

Voting at shareholder meetings is undertaken with the long-term interests of the respective company in mind. Our voting decisions are guided by our voting guidelines, which are derived from 'M&G Investments ESG Integration and Sustainable Investing Policy'. Details of our voting policy and process are provided in Principle 5.

3. Divesting from an investment

At some point, a fund manager may decide to divest from a holding. This might be for a variety of reasons, including that the company is no longer suitable for the fund mandate, the outcome of engagement is unsatisfactory or as a result of the investment team's valuation assessment. Investment decision-making is undertaken by our fund managers.

Principle 2

Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

It is a fundamental requirement for a financial services firm such as M&G to act in the best interests of its clients and/or its beneficiaries, and identify and manage conflicts of interest. This is central to our duty of care. Accordingly, it is important for our clients to know that M&G will use all reasonable endeavours to identify conflicts, manage them effectively and treat our clients fairly.

M&G Investments has a comprehensive Conflicts of Interest Policy, which reflects both the nature of our business activities and our ownership structure (including any potential conflicts arising from our ownership by M&G plc).

M&G staff are required to complete annual mandatory conflicts of interest training to ensure they understand all conflicts of interest that arise by virtue of the roles they perform, and are aware of the process for identifying and reporting conflicts so that they can be managed in an appropriate manner. The M&G conflicts of interest disclosure statement can be found on our website.

In identifying the conflicts of interest that may arise when providing services to our clients, M&G will take into account the following:

- a) Whether any M&G entity is likely to make a financial gain, or avoid a financial loss, at a client's expense (firm versus client conflict)
- b) Whether a client is disadvantaged or makes a loss when an employee or other person connected to an M&G entity makes a gain (individual versus client conflict)
- c) Whether a client makes a gain or avoids a loss where another client makes a loss or is disadvantaged (client versus client conflict)
- d) Whether an M&G entity, employee or fund benefits at the expense of another M&G entity or fund (intra group conflict)

Conflicts that arise from personal activities of employees (for example, outside appointments, involvement in public affairs, personal political donations and personal investments) are also closely monitored and managed.

On occasion, we may encounter conflicts of interest related to our stewardship activities. It is incumbent on all investment professionals and members of the Stewardship and Sustainability team to identify and manage such conflicts, in line with the wider M&G Group Conflicts of Interest Policy. In all such instances, our objective is to ensure that these conflicts are identified and managed appropriately, to ensure our clients' best interests are served.

Examples of conflicts that may arise in relation to stewardship activities are provided below. The potential conflicts arise both in the way the investee company monitoring and engagement is managed, and in relation to voting activities where M&G is voting on resolutions.

In each case, where a conflict arises, the conflict is identified and reported in line with the wider M&G Group Conflicts of Interest Policy, and an appropriate plan for mitigating the conflict is agreed. This might include referring the matter to the M&G Conflicts of Interest Committee for deliberation.

Conflicts arising from M&G plc's ownership of M&G Investments

M&G Investments is a wholly owned subsidiary of M&G plc.

M&G active funds are prevented from investing in M&G plc.

Examples of potential conflicts

A conflict of interest potentially arises where:

- An employee or director of any M&G Group company is also a director of a company in which M&G invests;
- M&G invests in a company that is a client of M&G; or
- M&G invests in a company that is a significant distributor of M&G products.

In such instances, M&G may be conflicted, for example, in the way it deals with the Directors and/or company management, votes on their election, and votes on remuneration policies that might apply to them.

Where a potential conflict arises, the conflict is reported in line with the wider M&G Group Conflicts of Interest Policy and an appropriate plan for mitigating the conflict is agreed. In determining the appropriate mitigation, a number of factors will be considered. These include the nature of the relationship with individuals and the extent to which the relationship could be managed by individuals who are not conflicted, the materiality of any contracts, and the risks of the potential conflict to client interests.

Interests of clients diverge on issues being voted on

On occasion, the interest of clients may diverge on issues on which we are voting. For example, where segregated mandates are being managed alongside a retail fund, or where clients within the same fund have different views.

We are able to vote shares differentially and will assess the voting of shares against each client mandate. Where client interests diverge, then we will vote accordingly, but this is a rare event.

Generally, M&G votes by proxy at general meetings on all holdings held in active funds. On occasion, we will attend a general meeting where our clients' interests are best served by us doing so.

Principle 3

Institutional investors should monitor investee companies so that they can appropriately fulfil their stewardship responsibilities with an orientation towards the sustainable growth of the companies.

We consider it important to recognise that shareholders appoint boards of directors to manage company assets on their behalf, and to preserve and enhance shareholder value. Shareholders in quoted companies expect clear accountability by executive management as an essential part of satisfactory corporate governance.

Regular and proactive monitoring, including open and purposeful dialogue with investee companies, enables us to determine whether the board is fulfilling its mandate to shareholders and, ultimately, whether an investment remains appropriate. This monitoring process typically includes:

- arranging regular meetings with executive management, the chairman and/or other non-executive directors
- daily monitoring of company announcements
- reviewing company results (annual & interim)
- reviewing external research materials (eg, broker research reports)
- attending company Capital Markets days for investors and site visits
- attending broker meetings to discuss investment recommendations
- engaging in specific discussions with companies on material topics, including: strategy, performance and non-financial matters (such as environmental, social and corporate governance factors; capital structures; board performance and understanding how boards are fulfilling their responsibilities; succession planning; remuneration; and culture)
- attending company engagement/corporate governance meetings (arranged by companies to enhance the engagement process and provide a forum for governance and responsible investment subjects to be discussed)
- meetings with remuneration committee chairman (in particular where the company is reviewing its remuneration policy, or prior to general meetings where sensitive or contentious resolutions are being put to shareholders to vote on)

- corresponding with non-executive directors in instances where issues have been raised with management, but where progress on these issues is inadequate
- maintaining a record of all interactions with companies
- attending shareholder meetings

Company boards must consistently satisfy customers, shareholders and the reasonable expectations of employees, as well as acting responsibly towards society as a whole, in order to ensure success over the long term.

Principle 4

Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

M&G believes that the long-term success of companies is supported by effective investor stewardship, high standards of corporate governance and transparent engagement policies. We believe that if a company is run well, it is more likely to be successful in the long run. M&G undertakes all investment stewardship engagements and proxy voting with the goal of protecting and enhancing the long-term value of clients' assets. M&G is committed to being transparent about how we conduct investment stewardship activities in support of long-term sustainable performance for our clients.

Stewardship activities such as monitoring and engaging with investee companies, as well as voting at shareholder meetings and reporting to clients, are undertaken by the investment teams, research analysts and members of our Stewardship and Sustainability team on an integrated basis. To ensure an integrated approach, regular investment meetings are held with investee companies (and meetings with potential investee companies), with representation from each team.

The initial investment decision to buy shares in a company is likely to include reviewing a company's published materials, brokers' research, meeting with directors and visiting company premises. The effort that goes in at the start of the investment process forms the base from which our stewardship activities

build. We seek to fully understand our investments, their opportunities and risks.

We then monitor a company and continue open and purposeful dialogue with it throughout the holding period; this is outlined in further detail in the section below. M&G will proactively engage on any issue which may, potentially, affect a company's ability to deliver long-term sustainable performance and value. When companies consistently fail to achieve our reasonable expectations, we will actively promote changes. These changes might range from the formulation of a new strategy to the appointment of new directors.

Again, M&G seeks close dialogue with its investee companies and is prepared to become an insider in order to facilitate dialogue on price sensitive matters such as transactions, capital raisings, takeovers and changes in management. Appropriate procedures are in place to manage such information. To this end, in order to support close dialogue with companies, M&G will disclose our shareholding in our capacity as an investment manager upon request.¹ In general, the shareholding data shared will be as of the previous business day.

M&G will engage on any issue that may potentially affect a company's ability to deliver long-term sustainable performance and value to our clients. Issues may include, but are not limited to:

- Business strategy
- Performance
- Financing and capital allocation
- Governance
- Risk
- Management and employees
- Acquisitions and disposals
- Operations
- Internal controls
- Membership and organisation of governing structures and committees
- Sustainability
- Remuneration policy, structures and outcomes

¹ For inquiries from companies with which we have no prior meeting history, verification of authenticity may be required.

- Culture
- Environmental and social responsibility
- Quality of disclosure

The approach taken by our investment team and Stewardship and Sustainability team will be issue specific. Methods of engagement include, but are not limited to:

- Letters and emails to companies and relevant stakeholders
- Meetings and/or calls with senior management or relevant company stakeholders
- Visits to operations
- Visits to suppliers from the company's supply chain
- Participation in roadshows

Wherever possible, we seek to achieve our objectives by agreement and in a confidential manner, but may be prepared to publicise issues by taking them to the national press or support the requisition of a meeting, or requisition a meeting ourselves, to enable shareholders as a whole to vote on matters in dispute.

The prioritisation of M&G's resources is based on a range of factors, including the materiality of an issue and the size of M&G's holding. Our focus will be on issues that are likely to be material to the value of the company's shares. As a general rule, where M&G's holding is a small fraction of the company's total capital, and a small fraction by value of a fund, there will be proportionately less resource applied to engagement (reflecting the reality that M&G's influence is less significant).

We would always seek to discuss any contentious issues before casting our vote, in order to ensure that our objectives are understood. We monitor progress of engagements against identified objectives on a periodic basis. To M&G, confrontation with boards at shareholder meetings represents a failure of corporate governance.

Escalation is normally conducted by the investment team alongside the Stewardship and Sustainability team, and may involve meeting with the company's chairman and/or senior independent director, the executive team, other shareholders and/or company advisers. In a limited number of cases, it may be appropriate for the chief executive officer or the chief investment officer of M&G Investments to be involved.

We believe company boards must consistently satisfy customers, shareholders and the reasonable expectations of employees, as well as acting responsibly towards society as a whole, in order to ensure success over the long term. Focused intervention will generally begin with a process of enhancing our understanding of the company's position and communicating our position to the company. This might include initiating discussions with the chairman and/or the company's advisers. We may also speak to senior independent directors or other non-executive directors and other shareholders. The extent to which we might expect change will vary, depending on the nature of the issue. In any event, we expect companies to respond to our enquiries directly and in a timely manner.

M&G also regularly engages with other stakeholders including trade bodies, policymakers and NGO's such as BEIS, FCA, FRC, Investment Association, PRI, IIGCC, UKSIF, EFAMA, Investor Forum, ICGN, ACGA, Share Action et al. These interactions follow the same procedure and use many of the same methods as our interactions with companies. As such they are logged and tracked by the Stewardship and Sustainability team. We may engage with policy makers or NGO's for a variety of reasons, for instance to increase our understanding or to influence and feed into the legislative landscape as a responsible investor.

M&G is willing to act collectively with other investors where it is in the interests of our clients to do so. We endeavour to maintain good relationships with other institutional investors and support collaborative engagements organised by representative bodies and others. M&G is a member of the Investment Association, with a large number of M&G representatives actively participating on a range of Investment Association committees. We participate in the Investor Forum, which was set up to increase proactive collective engagement.

A range of factors are considered in deciding whether or not to collectively act with other shareholders including, but not limited to:

- Whether we can be more effective in our engagement unilaterally or collectively
- The extent to which the objectives of other investors are aligned with our own, and
- The potential sensitivity of the issue and the extent to which conversations with the company are confidential

In addition, members of the Stewardship and Sustainability team participate on a range of external

formal and informal committees related to broader shareholder issues.

Principle 5

Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.

An active and informed voting policy is an integral part of our investment philosophy. Voting should never be divorced from the underlying investment management activity. By exercising our votes, we seek both to add value to our clients and to protect our interests as shareholders. We consider the issues, meet the management if necessary, and vote accordingly.

For holdings in actively managed portfolios, we seek to vote on all resolutions proposed at general meetings. Typically, M&G votes by proxy at general meetings, but on occasion we will attend a general meeting where our clients' interests are best served by us doing so.

In determining our vote, a number of factors will be taken into consideration, including our voting guidelines (which are reviewed regularly), company-specific information and the extent to which we have been able to obtain any additional information required to make an informed decision.

A responsible board should consult significant shareholders in advance of a company meeting, rather than risk putting forward resolutions which may be voted down. We are generally supportive of management and we aim to be pragmatic, but we will abstain or vote against the company if a resolution conflicts with our voting guidelines. We would always seek to discuss any contentious resolutions before casting our votes in order to ensure that our objectives are understood. Confrontation with boards at shareholder meetings represents a failure of corporate governance.

The Annual General Meeting serves a useful purpose by reinforcing the board's accountability to shareholders. Where accountability is lacking we will, on occasion, use these meetings to remind the board of its obligations to shareholders.

We may not vote in favour of resolutions where we are not able to make an informed decision on the resolution because of poor-quality disclosure, or due to an unsatisfactory response to questions raised on specific issues. We endeavour to discuss our concerns

with the company in advance of voting against a resolution.

Whilst we have a stock lending programme for several funds, our recall activity in this area is relatively limited and our policy is only to recall stock for voting in exceptional circumstances, if our vote could affect the value of shares held and/or we consider our vote will impact the outcome of an issue.

We disclose our voting records on our website, which are published on a quarterly basis.

Use of Advisory Services

M&G subscribes to a number of shareholder voting and information service providers, including Institutional Shareholder Services (ISS), Institutional Voting Information Services (IVIS), MSCI ESG Research, and ISS ESG research. These inform the voting decision. However, voting decisions are always taken by a member of the Stewardship and Sustainability team, in consultation with the investment team, where appropriate. All of our share voting is processed via an externally provided information system that has reporting and disclosure functions.

Principle 6

Institutional investors in principle should report periodically on how they fulfil their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.

We acknowledge that as active managers we need to be accountable for our actions and demonstrate that we vote in a consistent manner, based on our principles. Much of our engagement with companies is confidential, but we publish case studies of our interaction with companies on less sensitive issues. We also publish our annual Stewardship Report on the M&G website, providing an overview of the full range of stewardship activities undertaken over the previous year.

We provide transparency on our voting activity on our website, including our rationale when voting against management or abstaining from a vote (See 'M&G and Proxy Voting' section). This is updated on a quarterly basis.

All voting is processed and recorded via an external voting service on which a full record of all voting activity is retained, along with voting rationale.

We report annually, externally, and quarterly, internally to various stakeholders, on how we

discharge our stewardship responsibilities, and report to clients on stewardship activities on request.

M&G maintains records of interactions with companies, with a system for recording general monitoring activities for holdings. Records of specific stewardship activities are also retained within the Stewardship and Sustainability team.

Principle 7

To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.

As long-term investors, we take great care with our customers' savings and work closely with the management of those companies and assets we invest in to make sure they are delivering the best possible risk-adjusted returns. This includes challenging the environmental, social and corporate governance practices of these companies if we think these pose a risk to long-term performance.

M&G believes that ESG factors can have a material impact on long-term investment outcomes. Our goal is to achieve the best possible risk-adjusted returns for our clients, taking into account all factors that influence investment performance. Consequently, ESG issues are integrated within investment decisions wherever they have a meaningful impact on risk or return.

Within our analysis, we would typically look at financials, strategy and performance, as well as non-financial matters (such as environmental, social and corporate governance factors; capital structures; board performance and understanding how boards are fulfilling their responsibilities; succession planning; remuneration; and culture, among others).

While we consider it essential to include issues in our investment analysis, we do not take investment decisions based solely on our ESG views. Rather, investment decisions are made after giving appropriate consideration to all factors that influence an investment's risk or return. M&G is a long-term investor, and since ESG issues tend to evolve over the longer term, we consider such factors as a fundamental component of our investment process. We regard it as part of our fiduciary responsibility to

include ESG issues in our investment views, as we do for all factors that influence long-term investment results for our clients.

For examples of how our integration of ESG has progressed over the last year, and how stewardship activities differ across asset classes, please see our Annual Stewardship Report, available on M&G's website.

Outcomes

Stewardship activities such as monitoring and engaging with investee companies, as well as voting at shareholder meetings and reporting to clients, are undertaken by the investment teams, research analysts and members of our Stewardship and Sustainability team on an integrated basis. To ensure an integrated approach, regular investment meetings are held with investee companies (and meetings with potential investee companies), with representation from each team. This is then fed back into our internal view of the company. Examples can be seen in the engagement and voting sections of our Annual Stewardship Report.

Prioritisation

M&G's resources are generally applied based on a range of factors, including the materiality of the issue and the size of M&G's holding. Our focus will be on issues that are likely to be material to the value of the company's assets and are in the long-term interests of our clients. This includes challenging the environmental, social and corporate governance practices of these companies if we think these pose a risk to long-term performance.

As a general rule, where M&G's holding is a small fraction of the company's total capital, and a small fraction by value of a fund, there will be proportionately less resource applied to engagement (reflecting the reality that M&G's influence is less significant).

Our engagement priorities stem from both a bottom-up approach from individual portfolio reviews, and also top down, where the house has a large exposure.

Developing objectives

Before engaging, we identify a specific target for our engagement based on our desired outcome, tempered by realistic expectations based on the amount we hold and in which asset class. Fixed income assets, for instance, have less routes for direct engagement and escalation.

Regular and proactive monitoring, including open and purposeful dialogue with investee companies, enables us to determine whether the board is fulfilling its

mandate to shareholders and if engagement is required, and ultimately whether an investment remains appropriate. This monitoring process typically includes:

- Arranging regular meetings with executive management, the chairman and/or other non-executive directors
- Daily monitoring of company announcements
- Reviewing company results (annual and interim)
- Reviewing external research materials (e.g., broker research reports)
- Attending company capital markets days for investors and undertaking site visits
- Attending broker meetings to discuss investment recommendations
- Engaging in specific discussions with companies on material topics, including: strategy, performance and non-financial matters (such as environmental, social and corporate governance factors; capital structures; board performance and understanding how boards are fulfilling their responsibilities; succession planning; remuneration; and culture, among others)
- Attending company engagement/corporate governance meetings (arranged by companies to enhance the engagement process and provide a

forum for governance and responsible investment subjects to be discussed)

- Meetings with remuneration committee chairs (in particular where the company is reviewing its remuneration policy, or prior to general meetings where sensitive or contentious resolutions are being put to shareholders to vote on)
- Corresponding with non-executive directors in instances where issues have been raised with management, but where progress on these issues is inadequate
- Maintaining a record of all interactions with companies
- Attending shareholder meetings

Principle 8

Service providers for institutional investors should endeavour to contribute to the enhancement of the functions of the entire investment chain by appropriately providing services for institutional investors to fulfil their stewardship responsibilities.

This principle does not apply to M&G as an institutional investor. Nonetheless, we note that we are open to dialogue with service providers, such as proxy advisors and research providers and regularly exchange views. M&G has centralised teams to act as formalised points of contact for our service and information providers.