

M&G PROPOSES CHANGES TO M&G GLOBAL BASICS FUND

- **Fund name to change to M&G Global Themes Fund**

London, 19 September 2017 – M&G Investments, a leading international asset manager, is proposing changes to the M&G Global Basics Fund allowing the fund manager to take full advantage of a wide range of themes developing in an ever-evolving global economy.

The proposed changes, which will require shareholder approval, have been approved by the Financial Conduct Authority (FCA) and consist of:

- A change to the investment policy allowing the fund to invest at least 80% of the portfolio in global equities with no restriction on sector, size or geography. The current policy requires the fund to invest at least 70% of the portfolio in basic industries*.
- A change to the investment objective from long-term capital growth to a total return objective which better reflects the overall return of the fund combining the effect of capital growth and income received by the fund for its investors. The fund will aim for a higher total return than that of the MSCI All Country World Index over any five-year period.

In the event of a successful vote, the fund will also be renamed the M&G Global Themes Fund and will change its market comparator to the MSCI All Country World Index.

The Fund's manager, Jamie Horvat, will combine top-down and bottom-up analysis, identifying themes arising from long-term structural shifts and trends such as demographics, technological innovation and the environment. He will seek well run companies able to benefit from those themes, which are trading on attractive valuations with good, sustainable growth prospects.

Jamie Horvat comments: "Over recent years trends within the global economy have evolved so the removal of the restriction to invest mainly in basic industries will enable us to widen the themes in the fund. We are keen to capitalise on sectors and industries that benefit from increased demand for healthcare and medicines to support ageing populations, water and waste management, clean energy and cyber-security."

"The original philosophy of the fund of exploiting global structural changes remains intact."

Graham Mason, CIO for M&G equity, multi-asset and retail fixed interest, adds: Jamie has done a tremendous job diversifying the portfolio and delivering strong results since he's been managing the fund**. We now want to enable him to capture fully current and future trends."

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*Primary and secondary industries such as mining and manufacturing

**Fund manager tenure since 18 December 2015

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Notes to Editors

About Jamie Horvat

Jamie has over 18 years' investment management experience across a variety of mandates covering the broader equity market by sector and market cap as well as the resources and precious metals sectors while at Canadian asset managers, Sprott Asset Management and AGF Management.

Jamie is lead manager of the M&G Global Basics Fund. He has also been managing an equity portfolio for an institutional client since joining M&G in December 2013. He holds a diploma in Mechanical Engineering Technology from Mohawk College, an Honours B Comm (Finance) from McMaster University in Canada and an MSc in Finance from the London School of Economics.

About M&G

M&G is a leading international asset manager with a long-term, active approach to investing. The firm has been helping people to prosper by putting their money to work for more than 85 years. M&G's customers include private investors, members of pension schemes and life insurance policyholders. Responding to the ever changing financial landscape, the firm has developed a wide range of investment solutions, across equities, fixed income, real estate, multi asset and infrastructure. At 30 June 2017 M&G manages over £281.5 billion in assets for its customers.

Headquartered in London, M&G employs over 2,000 people worldwide in 16 countries, managing assets in Europe, Asia and the US. M&G is the asset management arm of Prudential Plc in the UK and Europe.

As a steward of clients' assets M&G recognises the importance of responsible investing with the analysis of environmental, social and governance (ESG) factors core to the business. M&G is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Program, which is dedicated to achieving the long-term goal of building climate resilient economies. M&G's £27 billion real estate business arm has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of its funds.

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