

This policy aims to set out M&G's approach to cluster munitions, in particular, how we adhere to country-specific laws on munitions.

In response to the UN Convention on Cluster Munitions, and to ensure adherence with country-specific legislation on such munitions, M&G does not invest in securities issued by companies directly involved in the manufacture of cluster munitions for the actively managed M&G OEIC, SICAV, FCP and Guernsey property unit trust fund range.¹

M&G uses an exclusion list based on a combination of the list endorsed by the Belgian Asset Managers Association (BEAMA) and the list used by the Authority for the Financial Markets (AFM) in the Netherlands.

For direct real estate investments, M&G will not make any new lettings to companies on the exclusion list, and we will not acquire any buildings where companies on the exclusion list are already in occupation. For indirect (including fund-of-funds or multi-manager) mandates, we will make the other fund managers aware of our policy but we cannot guarantee full compliance as the underlying fund managers will have responsibility for acquisitions and lettings.² If companies are added to the exclusion list, we cannot apply the policy retrospectively, but will apply to future lettings.

UN Convention on Cluster Munitions

1. This policy does not apply to the M&G European Index Tracker Fund or M&G Index Tracker Fund.

2. For direct real estate investments, we will not make any new lettings to companies on the exclusion list and we will not acquire any buildings where companies on the exclusion list are already in occupation. For indirect (including fund of funds or multi-manager) mandates, we will make the other fund managers aware of our policy but we cannot guarantee full compliance as the underlying fund managers will have responsibility for acquisitions and lettings. We will apply this policy as far as we are able within the context of national and local regulations regarding landlord and tenant relations. For example, in the UK, the Landlord and Tenant Act requires landlords to grant new leases on expiry and restricts our ability to prevent leases being reassigned to companies on the exclusion list. If companies are added to the exclusion list, we cannot apply the policy retrospectively but will apply to future lettings.