

Statement on principal adverse impacts of investment advice on sustainability factors



The following statement provides information on how M&G Luxembourg S.A., LEI: 213800KHFEP1L58PDC25, considers principal adverse impacts of investment advice on sustainability factors. This is provided in accordance with Article 11 of the Regulation (EU) 2022/1288 on sustainability-related disclosures in the financial services sector.

This Sustainable Finance Disclosure Regulation (SFDR) defines principal adverse impacts (PAIs) as the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

Consideration of principal adverse impacts

M&G Luxembourg S.A. provides investment advice under advisory mandates. The advice is currently only given to clients considering investments into M&G collectives. Our approach to the consideration of principal adverse impacts is client-driven, such that principal adverse impacts are only considered when clients express sustainability preferences as part of the suitability assessment process.

When making investment recommendations about which collectives to invest in based on client's expressed sustainability preferences, M&G Luxembourg S.A. relies on the SFDR compliant-disclosures (eg pre-contractual, website and/or periodic) available for such collectives, which will include information on whether the collective considers principal adverse impacts. There is currently no ranking or criteria for our advisory mandates based on the PAI indicators considered by a collective, and the tools and approach taken by Financial Advisers will evolve depending on clients' needs and objectives including sustainability preferences.

The information collected from the above processes informs the portfolios or advice given to clients, which they in turn will choose whether or not to implement. □

