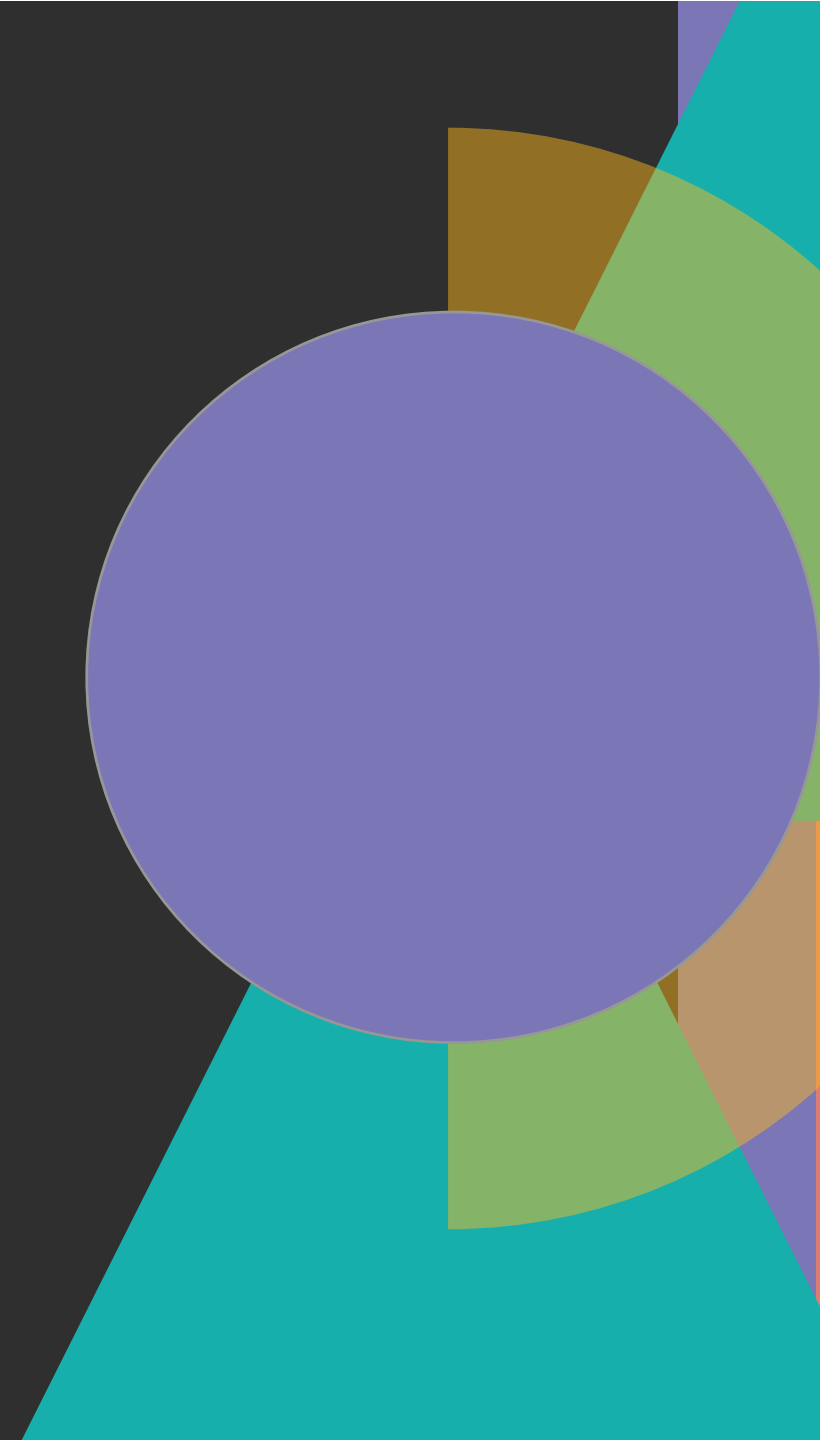




Multi-Asset Solutions April Quarterly Update

9th April 2025



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Agenda

- | | | | | |
|--------------|-----------------------|--|--|-----|
| 1 | 2 | 3 | 4 | 5 |
| — | — | — | — | — |
| Introduction | Performance Review | The outlook for AI: which companies will benefit | How advisers are using bespoke MPS | Q&A |

Speakers

- Alastair Clark, Portfolio Manager, M&G Wealth Investments
- Jeff Lin, Senior Fund Manager, M&G Investments
- Sean Hawkins, Head of MPS Business Development, M&G Wealth Investments

Learning Objectives

By the end of this session, you will be able to:

Identify which companies are best placed to deliver growth from AI

Understand why some advice firms consider tailored MPS solutions

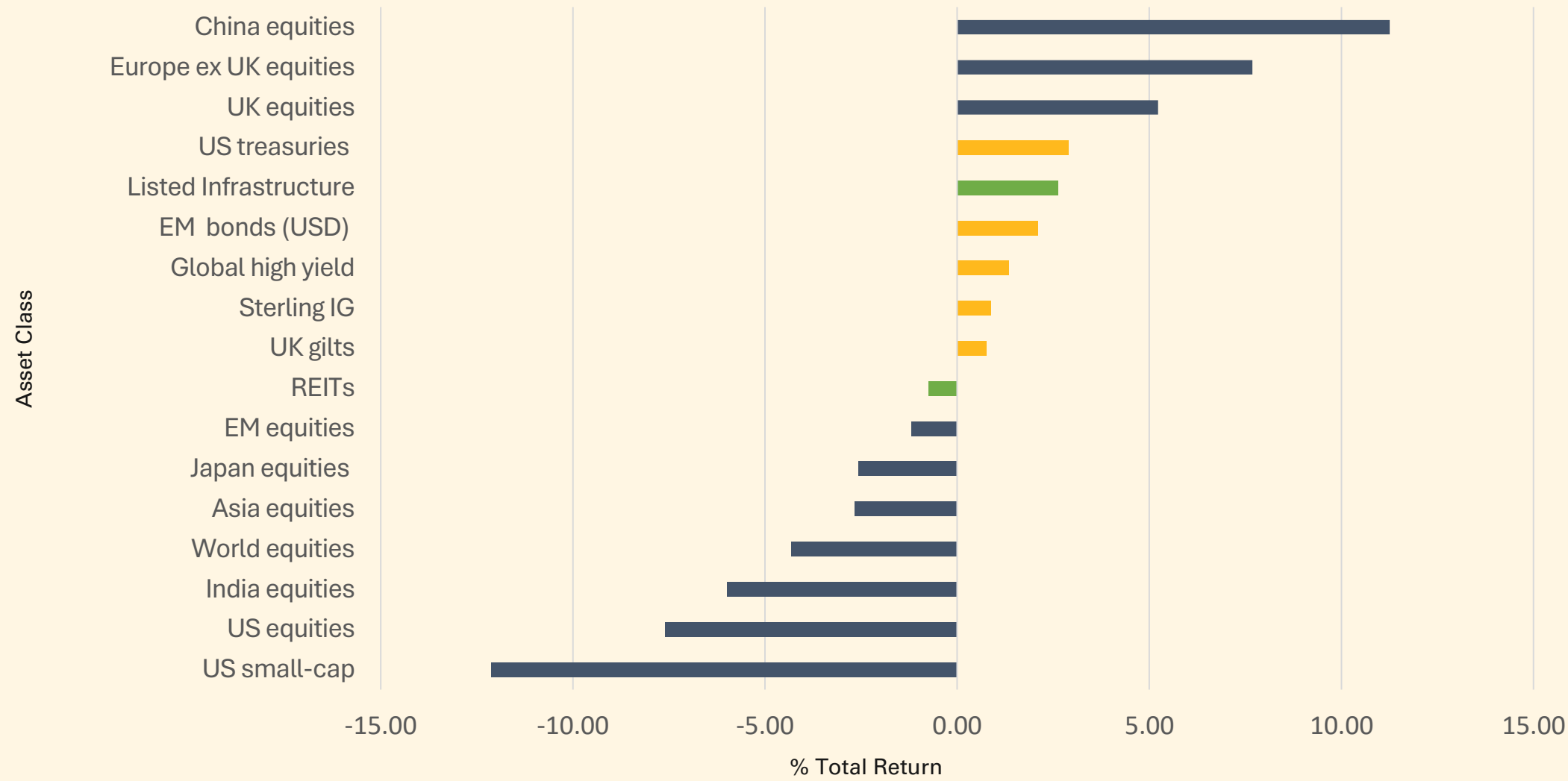
Describe the different types of bespoke MPS

Performance Review



Asset class returns, first quarter 2025

Asset-class returns YTD (total Return, GBP)



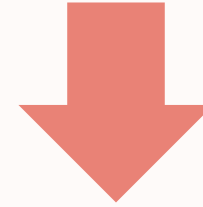
Source: M&G Wealth Investments LLP, Morningstar Direct 31st March 2025. Total return quoted in GBP.

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Key Performance Drivers, Q1 2025



- Having less in the US and more in Europe, Asia and emerging market equities vs peers was a benefit vs peers.
- Having more in corporate bonds and high yield bonds helped.



- Portfolios with higher equity weighting relative to benchmark detracted as bonds performed better over the quarter.
- Sterling strength weakened international equity returns.

Model Portfolio Performance – Hybrid & Passive

- In Q1, relative performance was driven by equity allocations as equities underperformed bonds.
- Within fixed income, having more in corporate bonds benefited returns which outperformed developed market government bonds.
- Within equities, holding less in the US and more in Europe, and emeremerging market equities detracted from performance.
- Longer term returns remain strong.

Performance (to end of March 2025)

| | | 3 months (%) | | 6 months (%) | | 1 year (%) | | 3 years (ann.) (%) | | 5 years (ann.) (%) | | 10 years (ann.) (%) | |
|---------------|--|--------------|-------|--------------|-------|------------|-------|--------------------|-------|--------------------|-------|---------------------|------|
| Fund | Benchmark | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel |
| MPS Passive 1 | IA Mixed Investment 0-35% Shares TR | 0.35 | -0.09 | -0.29 | -0.51 | 3.18 | -0.15 | 1.31 | 0.36 | 3.11 | 0.26 | 2.94 | 0.88 |
| MPS Passive 2 | IA Mixed Investment 20-60% Shares TR | -0.31 | -0.51 | -0.26 | -0.52 | 3.22 | -0.49 | 1.98 | -0.09 | 5.22 | -0.31 | 4.14 | 0.81 |
| MPS Passive 3 | IA Mixed Investment 20-60% Shares TR | -0.81 | -1.01 | -0.25 | -0.51 | 3.23 | -0.48 | 2.59 | 0.52 | 7.12 | 1.59 | 5.18 | 1.85 |
| MPS Passive 4 | IA Mixed Investment 40 - 85% Shares TR | -1.34 | -0.12 | -0.24 | -0.24 | 3.26 | -0.07 | 3.22 | 0.42 | 7.96 | 0.31 | | |
| MPS Passive 5 | IA Mixed Investment 40 - 85% Shares TR | -1.72 | -0.5 | -0.15 | -0.15 | 3.34 | 0.01 | 3.81 | 1.01 | 8.78 | 1.13 | 5.97 | 1.15 |
| MPS Passive 6 | IA Mixed Investment 40 - 85% Shares TR | -2.24 | -1.02 | -0.15 | -0.15 | 3.33 | 0.00 | 4.20 | 1.40 | 9.88 | 2.23 | 6.35 | 1.53 |
| MPS Hybrid 1 | IA Mixed Investment 0-35% Shares TR | 0.77 | 0.33 | -0.01 | -0.23 | 3.83 | 0.50 | 1.82 | 0.87 | 3.11 | 0.26 | 2.95 | 0.89 |
| MPS Hybrid 2 | IA Mixed Investment 20-60% Shares TR | 0 | -0.2 | -0.06 | -0.32 | 3.86 | 0.15 | 2.52 | 0.45 | 5.14 | -0.39 | 4.06 | 0.73 |
| MPS Hybrid 3 | IA Mixed Investment 20-60% Shares TR | -0.52 | -0.72 | -0.12 | -0.38 | 3.76 | 0.05 | 2.93 | 0.86 | 6.83 | 1.30 | 4.99 | 1.66 |
| MPS Hybrid 4 | IA Mixed Investment 40 - 85% Shares TR | -0.96 | 0.26 | -0.07 | -0.07 | 3.92 | 0.59 | 3.42 | 0.62 | 7.59 | -0.06 | | |
| MPS Hybrid 5 | IA Mixed Investment 40 - 85% Shares TR | -1.39 | -0.17 | 0.00 | 0.00 | 4.05 | 0.72 | 3.87 | 1.07 | 8.33 | 0.68 | 5.73 | 0.91 |
| MPS Hybrid 6 | IA Mixed Investment 40 - 85% Shares TR | -2.02 | -0.8 | -0.01 | -0.01 | 4.08 | 0.75 | 3.97 | 1.17 | 9.16 | 1.51 | 6.01 | 1.19 |

While M&G Wealth Investments LLP has taken reasonable steps in the preparation of the performance figures, we can't accept responsibility for any errors, omissions, or actions taken based on the information. The performance figures are calculated in FE Fundinfo based on a standard model and may not reflect the performance of individual customer portfolios. The calculation includes all underlying fund charges and investment management fees. The platform, wrapper and advice fees are excluded. The IA sectors index represents the average returns of a wide range of mixed asset funds, with broadly similar equity content. The schedule contains simulated past performance (prior to 17 January 2025) for Passive 4 and Hybrid 4. The figures we've shown for those portfolios are an example of how they may have performed. All other figures are actual past performance. We can't predict the future. Past performance isn't a guide to future performance.

Source: FE Analytics, M&G Wealth Investments LLP, 31st March 2025.

Model Portfolio Performance – Global ESG Themes

- The thematic equity funds have underperformed global equities.
- The bond allocation has performed better. Holding an allocation to global bonds rather than UK government bonds has helped.

Performance (to end of March 2025)

| | | 3 months (%) | | 6 months (%) | | 1 year (%) | | 2 years (ann.) (%) | | 3 years (ann.) (%) | | 5 years (ann.) (%) | |
|-------------|--|--------------|-------|--------------|-------|------------|-------|--------------------|-------|--------------------|-----|--------------------|-----|
| | | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel | MPS | Rel |
| MPS GESGT 1 | IA Mixed Investment 0-35% Shares TR | 0.81 | 0.37 | -0.23 | -0.45 | 3.70 | 0.37 | 5.14 | 0.56 | | | | |
| MPS GESGT 2 | IA Mixed Investment 20-60% Shares TR | -0.07 | -0.27 | -0.95 | -1.21 | 2.82 | -0.89 | 5.07 | -0.61 | | | | |
| MPS GESGT 3 | IA Mixed Investment 20-60% Shares TR | -0.55 | -0.75 | -1.41 | -1.67 | 2.26 | -1.45 | 4.96 | -0.72 | | | | |
| MPS GESGT 4 | IA Mixed Investment 40 - 85% Shares TR | -1.08 | 0.14 | -1.81 | -1.81 | 1.80 | -1.53 | 4.87 | -1.81 | | | | |
| MPS GESGT 5 | IA Mixed Investment 40 - 85% Shares TR | -1.68 | -0.46 | -2.45 | -2.45 | 1.07 | -2.26 | 4.68 | -2.00 | | | | |

While M&G Wealth Investments LLP has taken reasonable steps in the preparation of the performance figures, we can't accept responsibility for any errors, omissions, or actions taken based on the information. The performance figures are calculated in FE Fund info based on a standard model and may not reflect the performance of individual customer portfolios. The calculation includes all underlying fund charges and investment management fees. The platform, wrapper and advice fees are excluded. The IA sectors index represents the average returns of a wide range of mixed asset funds, with broadly similar equity content. The figures we've shown for those portfolios are an example of how they may have performed. All other figures are actual past performance. We can't predict the future. Past performance isn't a guide to future performance.

Source: FE Analytics, M&G Wealth Investments LLP, 31st March 2025.

Risk Managed Funds Performance

- Lower allocations to US equities in favour of Asia equities, UK equities and Europe equities added to performance
- Asia bonds also performed strongly as well as holding alternative assets such as infrastructure
- Good performance from bond funds has helped the active risk managed funds outperform.

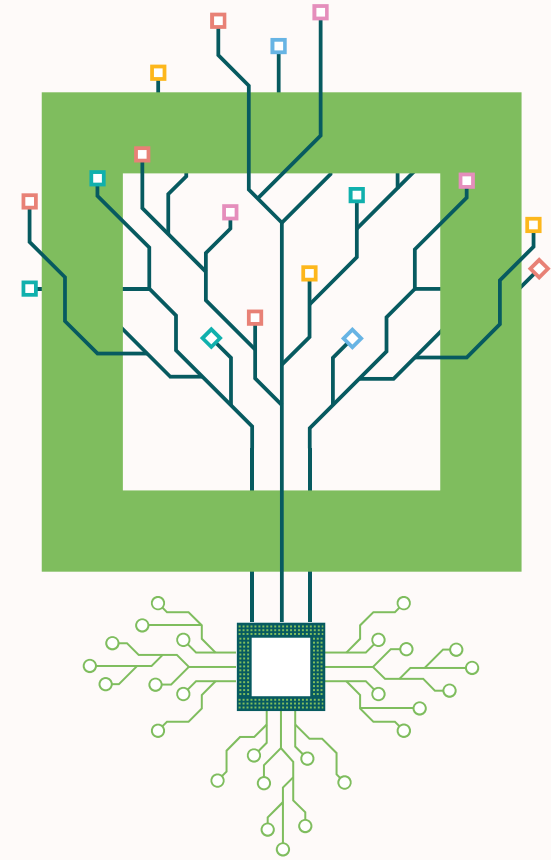
Performance (to end of March 2025)

| | | 3 months (%) | | 6 months (%) | | 1 year (%) | | 3 years (ann.) (%) | | 5 years (ann.) (%) | | 10 years (ann.) (%) | |
|--------------|--|--------------|------|--------------|-------|------------|------|--------------------|-------|--------------------|-------|---------------------|-------|
| Fund | Benchmark | Fund | Rel | Fund | Rel | Fund | Rel | Fund | Rel | Fund | Rel | Fund | Rel |
| RM Passive 1 | IA Mixed Investment 0-35% Shares TR | 1.11 | 0.67 | 0.35 | 0.13 | 4.28 | 0.95 | 1.90 | 0.95 | 3.53 | 0.68 | 3.03 | 0.97 |
| RM Passive 2 | IA Mixed Investment 20-60% Shares TR | 0.87 | 0.67 | 0.18 | -0.08 | 4.24 | 0.53 | 2.00 | -0.07 | 4.33 | -1.20 | | |
| RM Passive 3 | IA Mixed Investment 20-60% Shares TR | 0.98 | 0.78 | 0.47 | 0.21 | 4.95 | 1.24 | 2.78 | 0.71 | 5.85 | 0.32 | 4.13 | 0.80 |
| RM Passive 4 | IA Mixed Investment 40 - 85% Shares TR | 1.08 | 2.30 | 0.70 | 0.70 | 5.61 | 2.28 | 3.54 | 0.74 | 7.39 | -0.26 | | |
| RM Passive 5 | IA Flexible Investment TR | 1.20 | 2.93 | 0.99 | 0.85 | 6.26 | 3.34 | 4.34 | 1.51 | 9.03 | 0.98 | | |
| RM Active 1 | IA Mixed Investment 0-35% Shares TR | 1.02 | 0.58 | 0.52 | 0.30 | 4.21 | 0.88 | 1.33 | 0.38 | 3.63 | 0.78 | 2.73 | 0.67 |
| RM Active 2 | IA Mixed Investment 20-60% Shares TR | 0.98 | 0.78 | 0.19 | -0.07 | 4.87 | 1.16 | 1.60 | -0.47 | 4.57 | -0.96 | 3.03 | -0.30 |
| RM Active 3 | IA Mixed Investment 20-60% Shares TR | 1.17 | 0.97 | 0.74 | 0.48 | 5.63 | 1.92 | 2.07 | 0.00 | 5.83 | 0.30 | 3.56 | 0.23 |
| RM Active 4 | IA Mixed Investment 40 - 85% Shares TR | 1.33 | 2.55 | 1.08 | 1.08 | 6.46 | 3.13 | 2.85 | 0.05 | 7.41 | -0.24 | 4.18 | -0.64 |
| RM Active 5 | IA Flexible Investment TR | 1.52 | 3.25 | 1.30 | 1.16 | 7.16 | 4.24 | 3.47 | 0.64 | 8.69 | 0.64 | 4.77 | -0.24 |

Source: FE Analytics (bid to bid), M&G Treasury and Investment Office (MAPM), 31st December 2024.

The table shows the annualised performance of each fund in the LF Prudential Risk Managed Passive range versus its relevant IA sector average. Outperformance for the fund is indicated by the green boxes.

AI, a disruptive technological innovation 60-years in the making



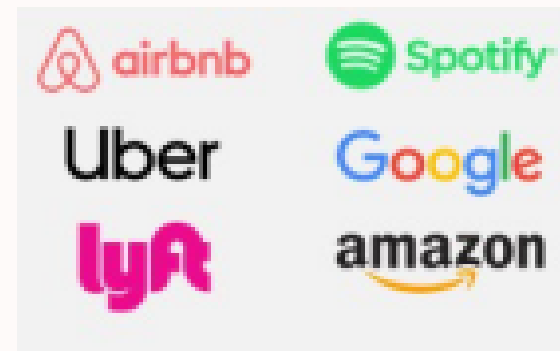
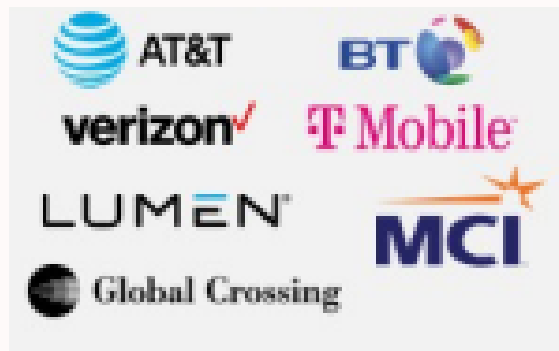
Early days vs previous disruptive innovation cycles

Microprocessor and PC
1970 - 2000

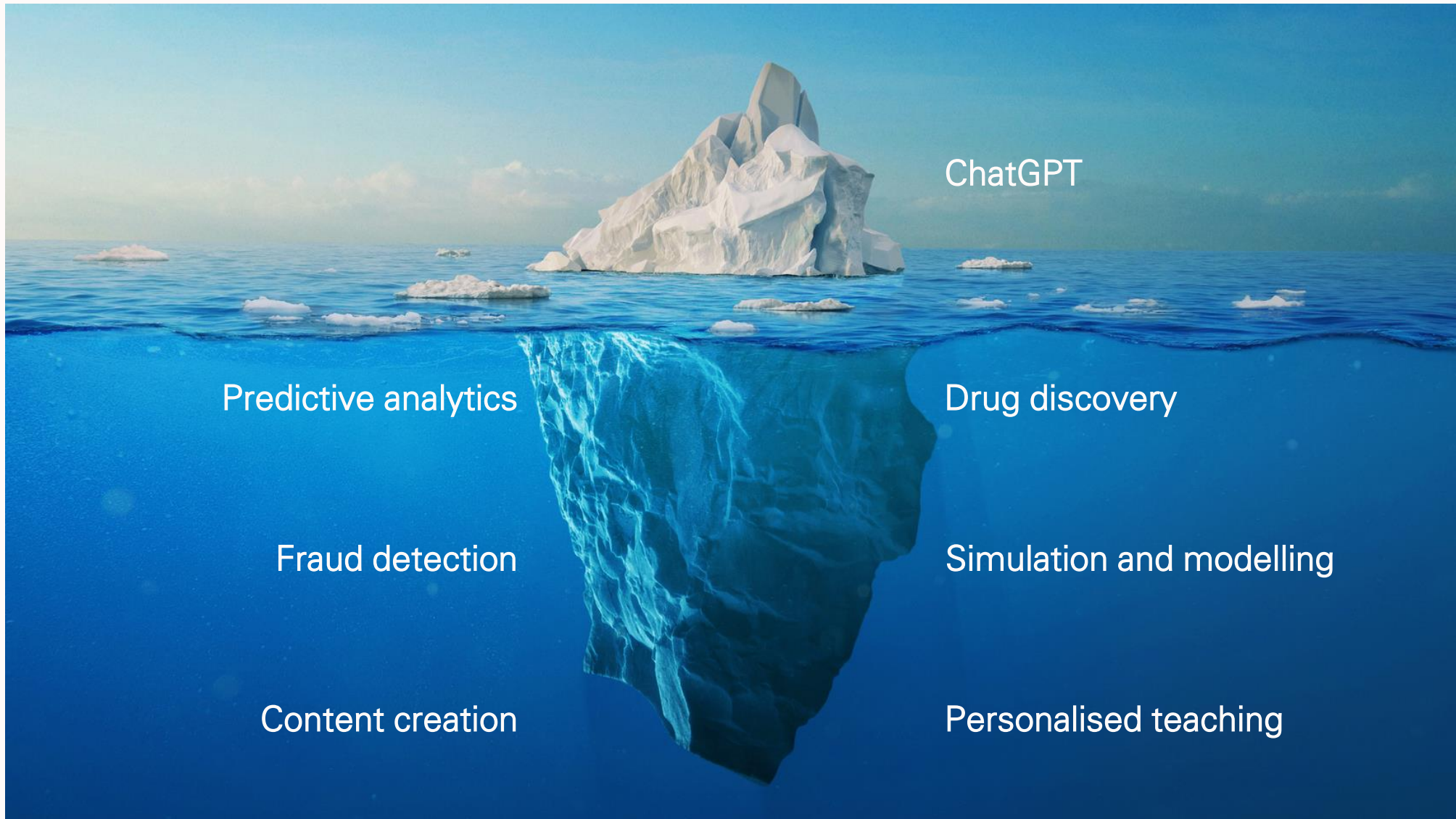
Internet and Mobile phone
1990 - 2010

Software and services
2000 - today

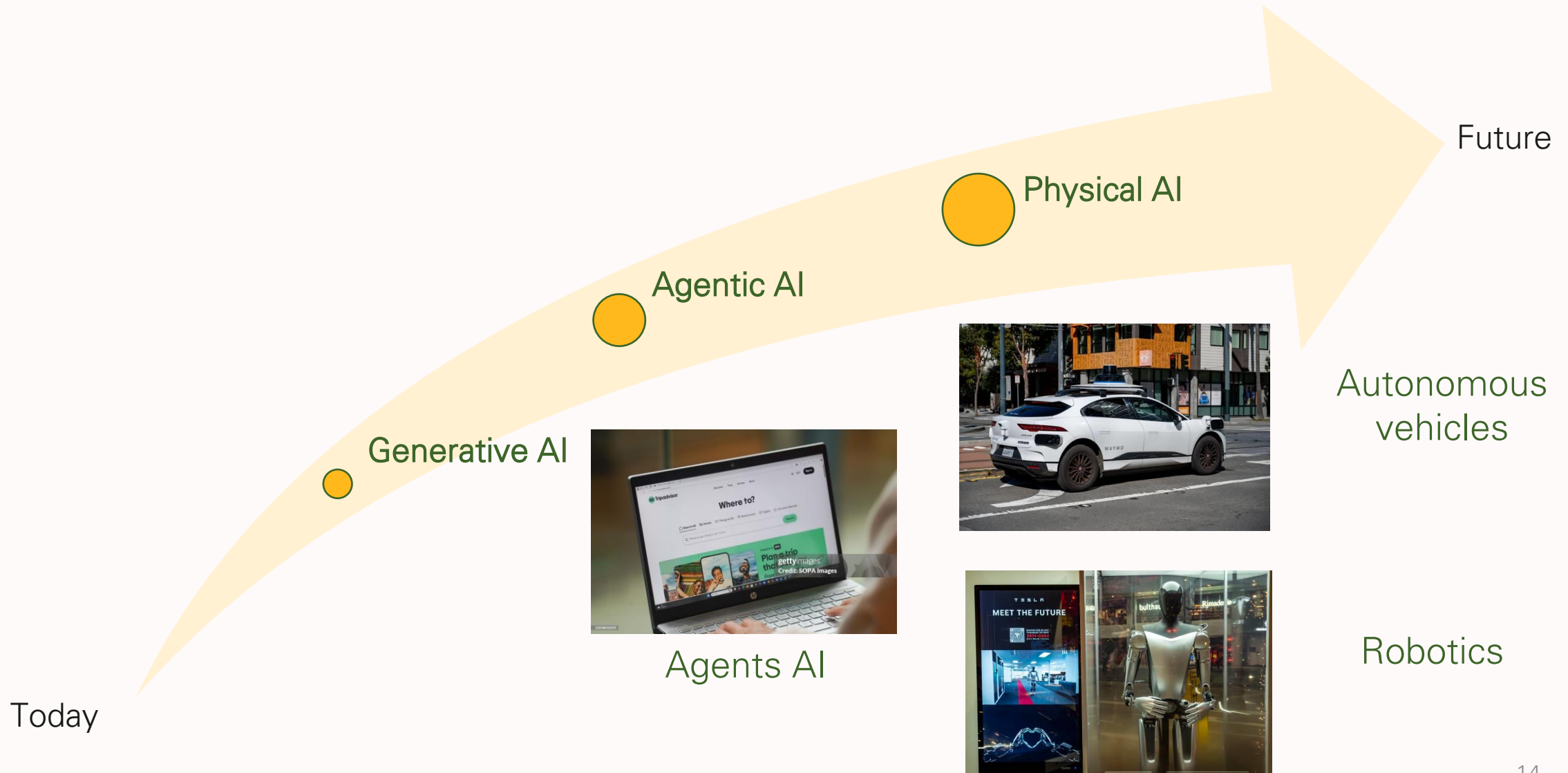
Artificial Intelligence
2022 - today



Generative AI is the tip of the iceberg



Long-term emerging trends in AI



Our view of the opportunity set

3 distinct investment themes



Business Overview

- A Leading company in providing defence technological products, from non-lethal weapons to cameras and cloud hosted solutions, for military, law enforcement and civilians.

AI Materiality: AI Beneficiary

- Since 2017 Axon strategically decided to enhance its products with AI solutions (e.g. **Axon Evidence**). It now provides an end-to-end product suite using image recognition for face and plate recognition, video recoding and automated transcription and redaction of reports.

Investment thesis

- Axon's camera product line and AI-related services are growing faster than the legacy business;
- Integrating AI functionalities to the product line adds significant value leading to strong customer retention and growth rate;



M&G (Lux) Global Artificial Intelligence Fund

Fund Overview

Key features

- A global thematic equity fund **aiming to benefit from the structural tailwind that will see AI becoming a mainstream technology.**
- The objective is to **outperform the global equity market** (MSCI ACWI Net Return Index);
- A comprehensive approach **adapting to the life cycle of the technological innovation;**
- Long-term potential growth driven by **multi-decade trends.**

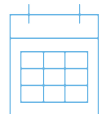
Fund facts

| | |
|-------------------------------|-------------------------------|
| Fund net asset value | \$129 million |
| Strategy AUM (OEIC and SICAV) | \$164 million |
| Benchmark | MSCI ACWI Net Return Index |
| Number of holdings | 50-70 |
| Launch date | 09/11/2023 |
| Morningstar category | Global Large-Cap Blend Equity |
| Tracking error | 4.3% |

Why investing with us



Rare blend of engineering and investment expertise

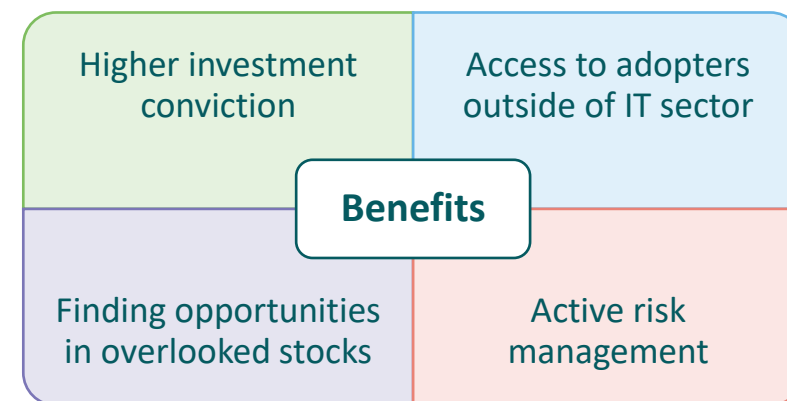


30-year investing in growth equities, in AI since 2016



Global, multi-sector approach to access full AI-stack

The benefits of an active fund for our investors



MPS Tailoring

The background features a series of parallel diagonal lines on the left side, transitioning into a series of overlapping geometric shapes on the right. These shapes include a large yellow triangle, a smaller olive green triangle, a red triangle, and a dark brown triangle, all arranged in a way that suggests a stylized, modern architectural or design theme.

Introduction

- More MPS choice than ever!
- Tailored MPS has become increasingly popular

“the ability for advisers to adapt existing MPS offerings”

Different aspects of Tailored MPS



White
label



'Own
line'



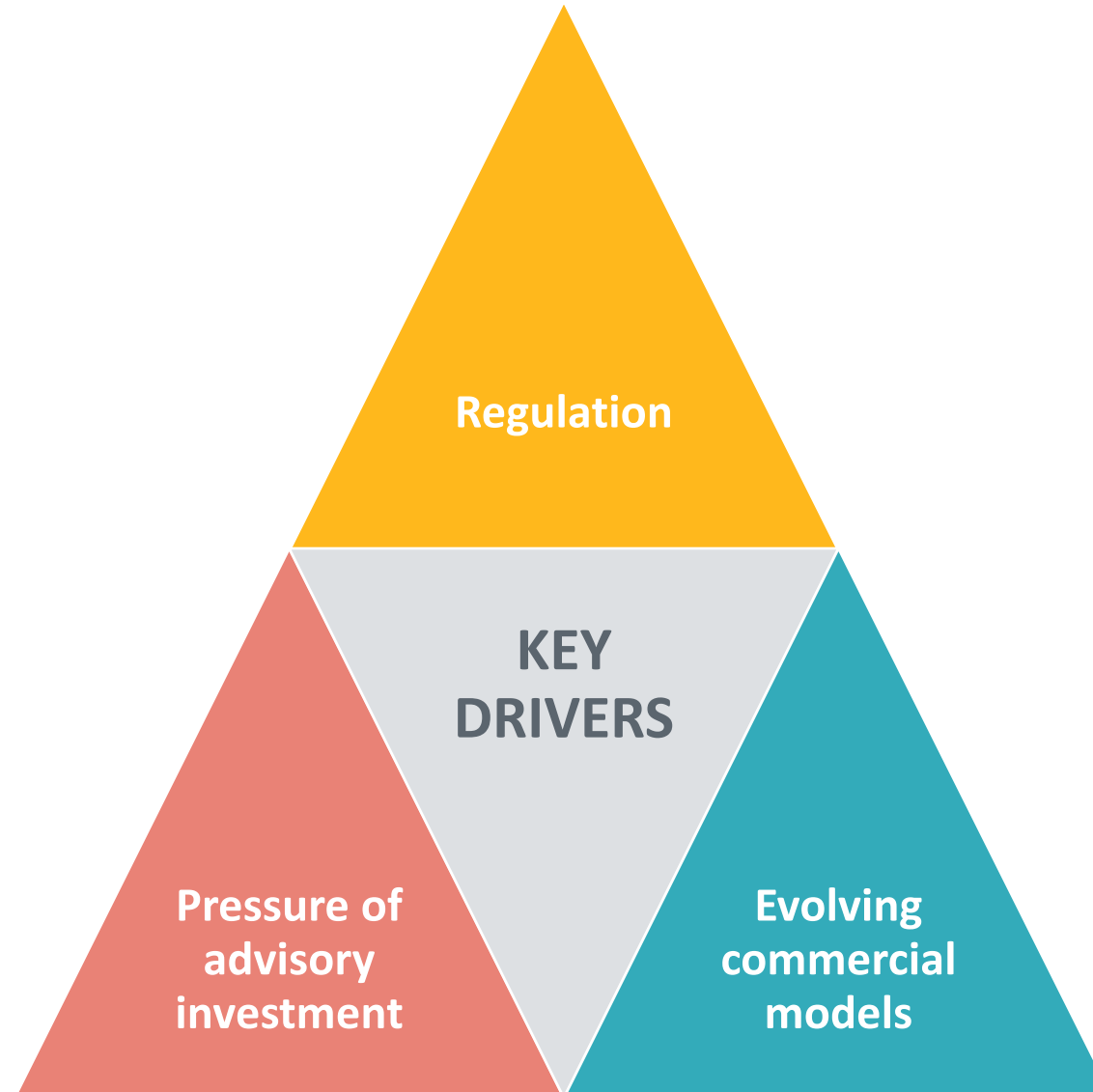
Custom
Mandate



Sub-
managed



The growth of Tailored MPS



Horses for courses

| | White label | 'Own line' | Custom Mandate | Sub-managed |
|-------------------------------|-------------|------------|----------------|-------------|
| Brand focused | ✓ | ✓ | | |
| Revenue and profitability | | | ✓ | |
| Cost pressure | | ✓ | ✓ | |
| Own discretionary permissions | | | | ✓ |

Partnering for success

- This is a nuanced market
- Each business is different
- Tailored MPS should be more than a commercial transaction

Key takeaway:

Choose a partner who understands this is more than just investments

Investment Solutions

PruFund Range

from Prudential

Choice of 16 multi-asset funds:

- PruFund Growth
 - PruFund Cautious
 - Risk Managed PruFunds
 - PruFund Planet
-

Cautious to medium risk investors.

Those looking for a smoother journey from their investment.

Close to retirement / in decumulation.

Available on the M&G Wealth Platform and through packaged retirement and investment products (both onshore and offshore).

Risk-Managed Range

from Prudential

Choice of two ranges:

- Risk Managed Active Range
 - Risk Managed Passive Range
-

Accumulation and decumulation.

A lower cost solution actively managed.

Use as either stand alone or as part of a portfolio.

Available on platforms, and through packaged retirement and investment products.

Model Portfolio Service

From M&G Wealth Investments

Three portfolio ranges:

- Passive
 - Hybrid
 - Global ESG Themes
-

Complete solution for those advisers looking to outsource their investment proposition.

For both accumulation and decumulation.

Blend with existing CIP to help achieve more diversification and lower volatility.

Available on platforms.

Thanks for your time

Get in touch with your usual contact if you need further help.

