

M&G INVESTMENTS TO MERGE EQUITY FUND

London, 20 March 2018 – M&G is to merge the M&G Global Leaders Fund into the M&G Global Themes Fund following a review resulting from the current manager Aled Smith's decision to step down*. The proposed merger, which will require approval from shareholders of the M&G Global Leaders Fund, has been approved by the regulator.

The M&G Global Themes Fund will continue to be managed by Jamie Horvat who has delivered strong performance since assuming management of the fund in December 2015**. M&G broadened the investment objective of the Fund last year, allowing the manager to take full advantage of a wider range of themes developing in a constantly evolving global economy. Subsequently, the two funds, which sit within the same sector, share many characteristics, including:

- Objectives that aim to (maximise/deliver) income and capital growth over five years or more
- The ability to invest in a wide range of companies from anywhere in the world
- Similar diversification in terms of number of holdings and market capitalisation tiers
- Similar risk characteristics
- The same performance comparator – the MSCI ACWI Index

Graham Mason, CIO for M&G equity, multi-asset and retail fixed interest, says: “Jamie has done an excellent job since he began managing the M&G Global Themes Fund and the recent changes enable him to fully capture current and future trends. Our intention through this merger is for our customers currently invested in the M&G Global Leaders Fund to be able to benefit from his skills and expertise.”

M&G is writing to shareholders of the M&G Global Themes Fund to inform them of the merger with assurances that they will not be affected. The investment process of the M&G Global Themes Fund will remain the same and it will continue to be managed in accordance with its current investment objective and policy. In the event of a successful vote, the merger is expected to take place on Friday 25 May 2018.

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If you require any further information, please contact:

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Notes to Editors

* M&G announced in November 2017 that Aled Smith had decided to step down as the manager of the M&G Global Leaders Fund

**The fund is a top quartile performer since 18 December 2015 when Jamie Horvat became the manager

1. The M&G Global Leaders Fund, managed by Aled Smith, has over £425 million in assets under management as at 28 February 2018
2. The M&G Global Themes Fund, managed by Jamie Horvat, has over £2 billion in assets under management as at 28 February 2018

About Jamie Horvat

Jamie is lead manager of the M&G Global Themes Fund. Jamie commenced his investment career in 1999, having managed resources, generalist and alternative mandates while in North America. In addition, Jamie has managed various institutional mandates for clients based in Europe, Asia, the Middle East and North America. He holds a MSc Finance from the London School of Economics and Political Science, as well as an Honours B Comm from McMaster University and a diploma in Mechanical Engineering Technology from Mohawk College in Canada.

About M&G Investments

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 31 December 2017 M&G manages over £298 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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