

M&G launches a global sustainable corporate bond fund seeking to drive positive environmental and social outcomes

London, 06 June 2022 – M&G is expanding its range of sustainable investment funds with the launch of the M&G Sustainable Global Corporate Bond Fund (“the Fund”). The strategy is designed to maximise sustainability outcomes within the context of a global investment grade bond universe.

This is the firm’s Public Fixed Income division’s first global corporate bond fund to utilise its dynamic and value-driven investment approach, while putting sustainability factors at the core of the proposition. The Fund will aim to drive positive environmental and social outcomes through a dedicated allocation to ESG-themed bonds. This includes investments in green bonds, social bonds, sustainability bonds or sustainability linked bonds.

The Fund aims for an ESG quality uplift as well as an improved climate profile compared to the investment universe of the global corporate bond market. Further, the fund ensures environmental and social safeguards are in place and minimum ESG quality standards are established to reduce the risk of unexpected revenue loss or business disruption related to insufficient management of material environmental, social or governance (ESG) risks.

Ben Lord, manager of global corporate credit and inflation-linked portfolios, is manager of the strategy, with Mario Eisenegger, a manager specialising in ESG and sustainability, deputising. The Fund is supported by the firm’s in-house global credit research capability, stewardship and sustainability specialists and its dedicated fixed income dealing desk.

Launching or evolving investment strategies to deliver more sustainable outcomes is a key part of M&G plc’s sustainability plans, which includes achieving net zero carbon emissions across its investment portfolio by 2050 at the latest.

Jim Leaviss, Chief Investment Officer, Public Fixed Income, says: “Investors can use their influence to drive change in corporate behaviour by engaging with companies and channelling capital to those seeking solutions to environmental and social challenges. The launch of this strategy is a natural evolution to our range given our long history and experience in public fixed income investing. Through collaboration with M&G’s sustainability specialists and our in-house global credit teams, this strategy is designed to achieve favourable ESG and sustainability outcomes whilst seeking to deliver attractive investment returns.”

Ben Lord, manager of the M&G Sustainable Global Corporate Bond Fund, says: “This strategy enables us to pursue a value-based and dynamic investment style seeking to generate financial performance for clients throughout the economic cycle, while making sure sustainability factors are kept at heart of the proposition. Identifying attractively priced ESG-themed bonds or companies that act as enablers or solution providers helping to address some of the biggest sustainability challenges we face on our planet is a key focus of the Fund.”

-ENDS-

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Notes to Editors

The Fund aims to provide a higher total return (capital growth plus income), net of the Ongoing Charge Figure, than the Bloomberg MSCI Global Corporate ESG BB+ Sustainable SRI Bond Index over any five-year period, while applying ESG Criteria and Sustainability Criteria.

Ben Lord, Fund Manager

Ben joined M&G in 2007 and was appointed fund manager of the M&G Global Corporate Bond Strategy from launch in 2013. Ben also manages the M&G UK Inflation-Linked Corporate Bond Fund and the M&G Index-Linked Bond Fund, as well as being co-fund manager of the M&G Strategic Corporate Bond Fund and the M&G Corporate Bond Fund. Ben is the deputy manager of the M&G (Lux) European Inflation-Linked Corporate Bond Fund and the M&G Short Dated Corporate Bond Strategy. He holds an MA (Hons) from the University of Edinburgh and is a CFA Charterholder. Ben holds the CFA Certificate in ESG Investing.

Mario Eisenegger, Deputy Fund Manager

Mario joined M&G in 2015 as an investment specialist within the fixed interest team. He is a regular contributor to the Bond Vigilantes blog, and an expert in environmental, social and governance (ESG) investing. In January 2022, Mario joined the Public Fixed Income (PFI) fund management team as a dedicated ESG fund manager, taking on portfolio management activities linked to the Public Fixed Income division's sustainable fund range. Mario holds a bachelor of science in Business Administration, Major Finance, from the University of Applied Sciences Northwestern Switzerland in Basel. He is a CFA Charterholder and holds the CFA Certificate in ESG Investing.

About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has over £370 billion of assets under management (as at 30 June 2021). M&G plc has customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

For more information, please visit: <https://global.mandg.com/>

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