

M&G's European Property Fund raises €524 million in first quarter of 2022

- **€800 million deployed across seven markets in 2021**
- **History of sustained long term outperformance for investors and strong evolution of assets under management**

London, 28 April 2022 – M&G's €5 billion European Property Fund (the Fund) managed by David Jackson and Simon Ellis has won record inflows of €524 million between January and March this year – the largest amount raised in a single quarter in the Fund's 15-year history. The capital comes from three new and four existing clients in Europe and Asia.

A combination of the Fund's international investor base, long term performance and the track record of its management team all contributed to the Fund's selection and further increase its international client base as European investors diversify away from domestic markets to seek returns further afield.

Having marked its 15-year anniversary deploying more than €800 million in Continental Europe last year, the M&G European Property Fund continues to reinforce its leadership position as one of the largest and most diversified European property portfolios backed by expanding teams in 8 markets. The Fund also received its highest ever GRESB (Global ESG Benchmark for Real Assets) rating in 2021 as the growing influence on ESG issues on major European property funds has refocused attention on quality, with sustainability under ever closer scrutiny from pension fund clients, as **Dutch pension fund adviser, Wietse de Vries at Almazara**, explains:

"Over the years we have advised a number of Dutch pension fund clients to invest in the M&G European Property Fund. Aside from a well-diversified, well performing portfolio managed by a highly qualified team, it is important for us to see the managers' commitment to reduce GHG emissions and arrive at a Paris-proof portfolio by 2050."

A diversified investment strategy and a bias towards high quality assets in Western and Northern Europe has enabled the Fund's managers to weather major international events such as the Global Financial Crisis, Brexit and the COVID-19 pandemic whilst maintaining returns for investors in more than 20 different jurisdictions. The Fund has outperformed INREV's Open End Diversified Core Equity Fund Index and MSCI's Pan European Property Funds Index (Balanced Funds) over 3, 5, 10 and 15-year periods*.

David Jackson comments: "Over the past 15 years many European property funds have grown through significant investments in commercial real estate, but the next phase of growth will increasingly be through diversification into the broader residential sector. We also believe that investment demand for the traditional office and retail markets will become more polarised, with a heightened focus on offices in major central business districts with excellent ESG credentials and greater value placed on defensive food stores and dominant retail parks.

"Since the Fund's launch in 2006, ESG credentials have become a major driver of our investment decisions. The transition to net zero carbon emissions by 2050 is undoubtedly a significant challenge, however, a world with sustainable investments is intrinsically less vulnerable. Our latest GRESB rating reflects our commitment to meet

the highest ESG standards and the advancing requirements of investors and occupiers and we look forward to demonstrating our strengths to new and existing clients.”

M&G Real Estate is part of M&G plc's £71 billion private assets and alternatives division.

ENDS

Notes to editors:

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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 £370 billion of assets under management (as at 31 December 2021). M&G plc has over 5 million 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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