

M&G TO MERGE AWAY M&G EUROPEAN CORPORATE BOND FUND

- *Proposed merger offers investment opportunities in assets beyond denominated European currencies*

London, 19 April 2023 – M&G today announces its intention to merge the £37 million* M&G European Corporate Bond Fund (“the Merging Fund”) into the M&G Strategic Corporate Bond Fund “the Receiving Fund”.

There has been a reduction in appetite for European corporate bond strategies in the UK and with outflows having accelerated in recent years, the M&G European Corporate Bond Fund is no longer commercially viable. With the proposed merger into the £1 billion+ M&G Strategic Corporate Bond Fund, managed by Ben Lord and Richard Woolnough, it provides investors with access a similar strategy but with the opportunity to invest in assets beyond those denominated in European currencies.

Stefan Isaacs, Deputy CIO Fixed Income at M&G says:

“Fixed Income strategies are back in vogue as investors seek real yields from the asset class as monetary policy responds to an inflationary environment. However, there is currently little interest from UK wholesale investors for specific allocations to European corporate bond strategies and we believe that there is little prospect of this trend altering in the foreseeable future. The proposed merger is the best option for investors as it provides an alternative investment solution for the long term, managed by an experienced investment team supported by our extensive in-house credit resource.”

The merger is subject to shareholder approval, with an EGM taking place to vote on the changes on 17 May, and investors will be informed of their options. If approved, the merger will be finalised on Thursday 8 June 2023.

-ENDS-

Notes to Editors

*As at 31st March 2023

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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 over €386.3 billion of assets under management (as at 31 December 2022). 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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