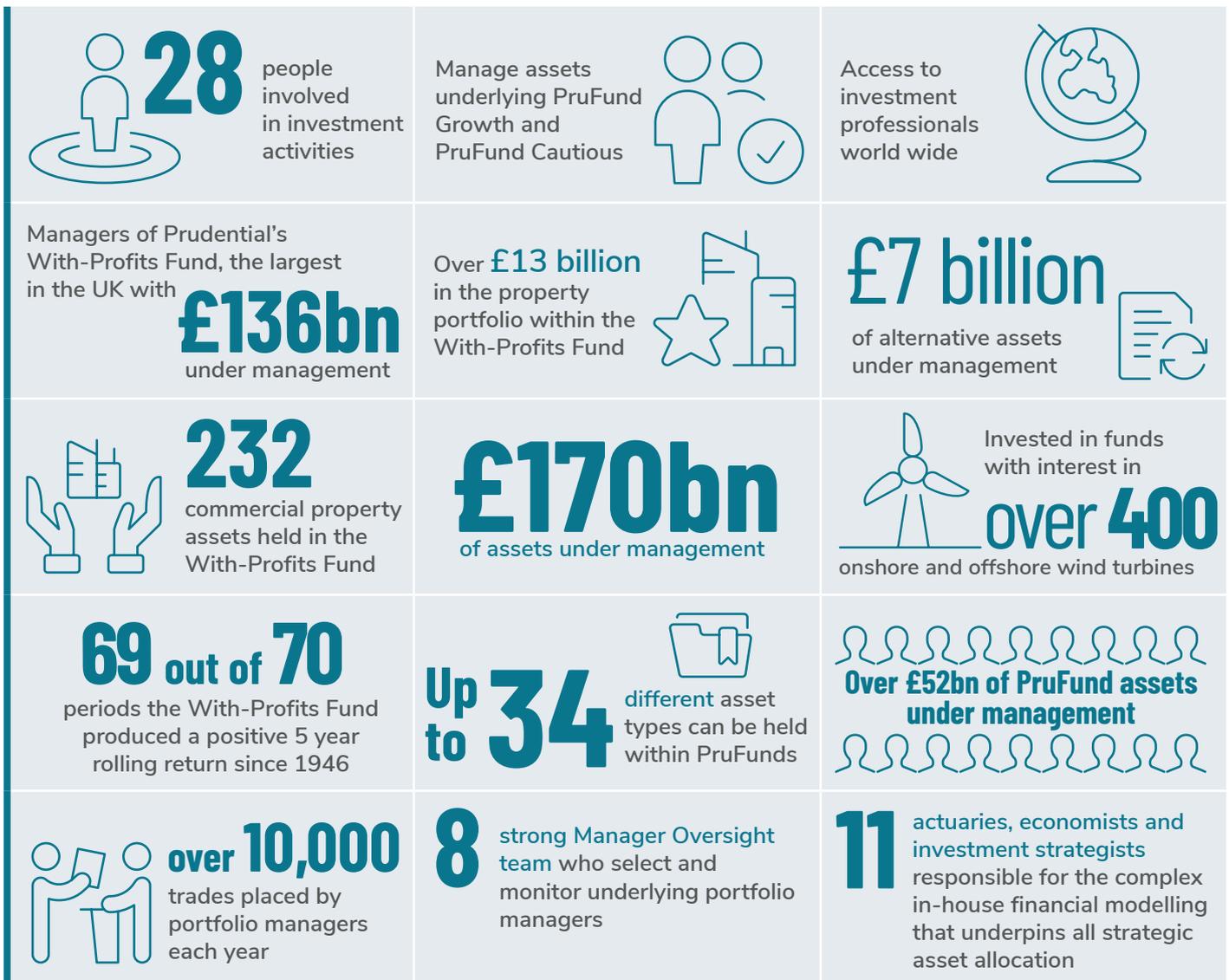


# M&G Treasury & Investment Office

The M&G Treasury & Investment Office (T&IO) is one of the largest and best resourced multi-asset teams in the UK. T&IO manage approximately £170bn\* across a range of highly competitive multi-asset investment solutions, unit linked funds and annuities on behalf of Prudential UK and Europe.

T&IO has great strength in depth with a team that includes investment professionals with expertise in capital market research, investment strategy design, liability management, derivatives and portfolio management.

\* as at 30 June 2020



The total level of assets backing the With-Profits business in the Fund was £136bn as at 30 June 2020.

Source: T&IO, as at 30 June 2020.

This is just for UK advisers – it's not for use with clients.

Most financial professionals agree that asset allocation is one of the most important decisions that investors make. As Prudential's asset allocation experts, here are some more key facts about T&IO.



**Scale and breadth of assets under management** – often a preferred counterparty in the marketplace able to negotiate competitive terms and ensure a premium service is always provided.



**Operational infrastructure** – investment teams supported by experienced information and risk monitoring teams.



**Long-term** – being part of an insurance group allows a longer investment horizon and provides the opportunity to exploit the risk premiums offered through holding illiquid assets and access to a wide range of asset classes.



**Longevity of process** – at the core of any long-term asset allocation decision is a process that has been in place and successful for nearly two decades.



**Active management** – believe value can be added through a sound and well-structured investment process.



**Demonstrable success** – PruFund Growth's 15 year track record provides clear evidence of T&IO's ability to produce investment returns that help meet investor expectations over long periods and through different market conditions.



**Asset Allocation** – core specialism is asset allocation. Stock selection decisions are outsourced to experienced fund managers in particular asset classes or markets.



**Alternatives** – one of the largest UK investors in alternative investments with over £7bn invested across a diversified global portfolio of assets.



**Resource** – team includes specialist expertise in capital markets' research, manager research, investment strategy design, liability management and portfolio management.



**Governance framework** – approach of setting and policing segregated mandates for underlying managers when possible provides an additional layer of quality control.



**Global reach** – close relationships with high quality investment companies like M&G Investment Management, M&G Alternatives, M&G Real Estate, Eastspring Investments, PPM America and PPMSEA.



**Liquidity and stress tests** – all portfolios are regularly stress tested.



**Access to new and niche investment opportunities** – bridge loans, Asian bonds, African debt and private credit in fixed income, Chinese equity exposure and broadening African equity investments. Solar farms, water pipelines, music royalties, asset leasing and hydroelectric plants.

Please note – Past performance is not a reliable indicator of future performance.

The value of an investment can go down as well as up. Your clients may get back less than they have paid in.

### Examples of Commercial Property in the With-Profits Fund

- The Life Fund invests into approximately 200 direct assets globally and also gains exposure from a number of collectives/indirect funds, which in turn, invest into 100s of underlying properties or schemes, resulting in a hugely diverse and global real estate exposure
- Flagship UK property holdings – Manchester Arndale Shopping Centre, Bluewater Shopping Centre in Kent, Avon House, 40 Leadenhall and Holborn Bars in London
- Holdings in US and Canada including offices in Toronto and San Francisco and retail in Los Angeles, New Jersey and Ottawa

### Examples of Alternatives invested in the With-Profits Fund

- Private equity strategies spanning buyout and special situations globally
- Core infrastructure funds designed to deliver long-term and stable yields
- Renewables' portfolios with investments in solar PV, wind, waste-to-energy and hydro across developed and emerging markets
- Portfolios focusing on more niche markets such as aircraft leasing and royalties
- A portfolio of hedge funds aiming to produce returns with low correlations to traditional markets

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M&G Treasury and Investment Office, is registered in England and Wales, registered number 2448335, with Registered office at 10 Fenchurch Avenue, London EC3M 5AG.

