

Prudential With-Profits Fund factsheet

This document has been produced to provide factual information on Prudential's With-Profits Fund, and specifically, that part of the fund directly relevant to investments of this type, and should not be used as financial advice. If you are unsure what bonus series you are invested in or if there is information or terminology included that you would like to discuss, then please contact your adviser.

Key facts

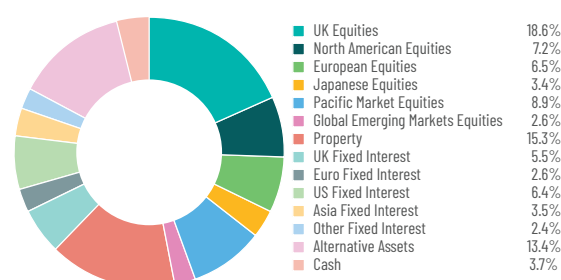
Fund Size	£91.8 billion as at 31 March 2022
Prudential Financial Strength rating*	A+
Portfolio Manager	M&G Treasury & Investment Office (T&IO)
Investment Style	Prudent Active
Performance Objective	To offer competitive long term returns

* Standard & Poor's as at August 2021

Fund description

The fund offers the prospect of competitive long-term real returns whilst smoothing the peaks and troughs of day-to-day market movements. Investment returns are passed to policyholders through bonuses. The fund is invested in a diversified portfolio of UK and overseas shares, bonds, property and cash. A significant proportion of the fund is invested in shares and property which can be expected to produce attractive longterm returns, but the return on these assets can be volatile and so the fund is actively managed to optimise the returns while controlling risk.

Fund breakdown



The asset mix is likely to vary in the future.

Source: Prudential as at 31 March 2022. Asset allocations are regularly reviewed and may vary, but will always be consistent with the fund objective.

All figures are as at 31 March 2022, unless otherwise stated.

Prudential risk rating

Lower to Medium

What is the risk rating?

- These risk ratings have been developed by Prudential to help provide an indication of a fund's potential level of risk and reward based on the type of assets which may be held by the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.

Commentary

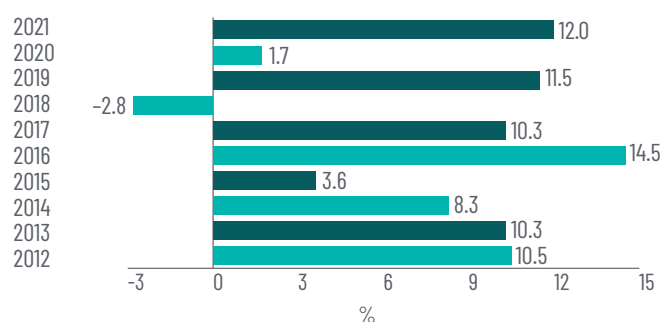
Global inflationary fears and Russia's invasion of Ukraine dominated global financial markets. Rising inflation expectations weighed heavily on both bonds and shares, as investors fretted over the impact of higher prices and anticipated a much faster pace of interest rate rises from the major central banks. The conflict in Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well.

Assets traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply (prompting notable losses for many investors).

UK commercial property enjoyed a solid start. Despite the high level of COVID-19 cases, rising inflation and increasing interest rates, investors appear optimistic. We believe the reasons for the optimism are improving economic and employment growth – both key drivers of the demand for space – buoyant household savings, which are supportive of a retail and leisure recovery, and employees returning to the office. Trends of the past few months remain in play, with ongoing strong demand for industrials. Retail has seen a marked recovery. Demand for office space is also steadily gaining traction.

The M&G Treasury & Investment Office (T&IO) outlook is cautiously optimistic although much uncertainty remains.

Underlying investment returns



Source: Prudential. The above are calendar year returns for the With-Profits Fund (before charges, tax and effects of smoothing).

The value of your policy will be sent out in your annual statement or is available on request. The value will depend on when you actually invested allowing for tax, charges and smoothing. The value could change by more or less than the underlying investment return of the overall fund.

Past performance is not a reliable indicator of future performance.

- We regularly review our fund risk ratings, so they may change in the future. If, in our view, there is a material change in the fund's level of risk, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we will provide information on the new risk rating. We recommend that you make sure you understand the risk rating of any fund before you invest. You will find this information at pru.co.uk/factsheets.
- You should also consider discussing your decision and the appropriateness of a fund's risk rating with an adviser.

Prudential With-Profits Fund

Performance (applicable from 6 April 2022)

For investments in the With-Profits Fund, the value of the policy depends on how much profit the fund makes and how we decide to distribute that profit. Policyholders receive a distribution of profits by means of bonuses, or other methods as specified in the relevant policy documentation. There are two types of bonus, regular (or revisionary) and final (or terminal) bonus.

The performance figures shown are overall annualised returns for contributions made on the dates specified. The returns include both regular and final bonuses added to a benefit paid at normal retirement date, but make no allowance for any applicable initial charges, allocation rates or early cash in charges (explicit charges).

Final bonus may vary and is not guaranteed. The rate of future bonuses cannot be guaranteed. The value of an investment can go down as well as up and the fund value in the future may be less than the payments you have made. Please bear in mind that inflation will reduce what you can buy in the future.

Please read the important information below and the Key Features document for the relevant contract.

The performance figures are declared by Prudential Assurance Company Limited, usually each February.

For the Unitised returns shown, it is assumed that the contribution was invested without any allowance made for any explicit charges on 6 April 1, 3, 5 or 10 years ago and realised on or after 6 April 2022 to secure benefits at normal retirement age. For the Cash Accumulation returns shown, it is assumed that 1, 3, 5 or 10 scheme revision dates ending after 15 March 2022 have passed since the contribution was invested.

Bonus Series	1 Year*	3 Years*	5 Years*	10 Years*
Unitised L With-Profits Returns	6.30%	6.20%	5.10%	6.45%
Unitised N With-Profits Returns	6.30%	6.20%	5.10%	6.45%
Cash Accumulation MPP With-Profits Returns	6.30%	6.20%	5.10%	6.45%
Cash Accumulation AVC With-Profits Returns	6.30%	6.20%	5.10%	6.45%
Cash Accumulation AVC With-Profits Series 2 Returns	5.70%	5.60%	n/a	n/a

Source: Prudential. *overall annualised returns

The value of your policy will be sent out in your annual statement or is available on request. The value will depend on when you actually invested allowing for tax, charges and smoothing.

The value could change by more or less than the underlying investment return of the overall fund.

Past performance is not a reliable indicator of future performance.

With-Profits bonus series explained

Cash Accumulation With-Profits

Cash Accumulation MPP With-Profits is used solely by the oldest "pre 101" money purchase contracts for occupational pension schemes typically established from 1974.

Cash Accumulation AVC With-Profits is used solely by Additional Voluntary Contribution contracts as part of an occupational pension scheme, where the contracts were applied for before 15 March 2022.

Cash Accumulation AVC With-Profits Series 2 is used solely by Additional Voluntary Contribution contracts as part of an occupational pension scheme, where the contracts were applied for on or after 15 March 2022.

The Cash Accumulation AVC With-Profits and Cash Accumulation AVC With-Profits Series 2 bonus series are not used where voluntary contributions are paid through another Prudential group pension contract.

Unitised With-Profits

Unitised L With-Profits is used by the "101" money purchase contracts for occupational pension schemes and grouped personal pension contracts (including the "Shout/Xafinity" contracts) typically established from 06/04/1987 where holdings are expressed in terms of units.

Unitised N With-Profits is used by the "Select" group personal pension (established 1997) and "Money Purchase Plan/Group Personal Pension" money purchase contracts for occupational pension schemes and group personal pension contracts established since 2001 where holdings are expressed in terms of units.

Important information

Who manages the funds?

Prudential Assurance Company Limited holds the assets of the With-Profits Fund through custodians. Prudential has delegated the investment management of the fund through agreements with various investment managers including M&G Investments.

Can I get advice?

This factsheet should not be considered as financial advice and any changes to investment arrangements should be discussed with an adviser. It is not our intention to give an indication of how any particular funds will perform in the future. The commentary in this factsheet reflects the general views of the individual fund manager and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

Who is this factsheet for and what does it do?

This factsheet is intended for the trustees, sponsors, advisers and members of occupational pension schemes using Prudential group pension contracts. Its purpose is to provide an insight into how the fund(s) have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included on this factsheet, then please contact an adviser.

Other important information

If money invested in the With-Profits Fund is taken out at any time other than on death or normal retirement date, a Market Value Reduction (MVR) may be applied; this may have the effect of reducing the fund value.

For details on MVR and charges applicable to your investment, please refer to the Key Features document for the relevant contract. For a copy of the Key Features document, please contact your pensions department for scheme members or usual Prudential contact for trustees and advisers.

pru.co.uk

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