

Prudential International Assurance

How we manage your money

For the following Prudential International Assurance policies:
International Prudence Bond, International Portfolio Bond,
and Prudential International Investment Bond



Introduction	3
Where's your money invested?	4
Overview of investing	4
What are the types of assets?	4
Who's managing your money?	5
What's our investment approach and what does it mean for you?	6
Stewardship (our responsible investing approach)	7
Our stewardship approach to Environmental, Social and Governance factors	7
Find the information for your policy	8
PIA International Prudence Bond and Prudential International Investment Bond	9
• Pound Sterling currency PruFunds	10
• Euro currency PruFunds	12
• US Dollar currency PruFunds	14
PIA International Portfolio Bond	16
• Pound Sterling currency PruFunds	16
How to find more about your policy	20

Introduction

Welcome to your yearly update on how your offshore bond is being managed, brought to you by Prudential International Assurance (PIA).

This Report aims to give you a clear picture of how your investment is being managed, so you can feel reassured that your money is being invested responsibly.

Through your PIA offshore bond, you've invested in your choice of Prudential Assurance Company's (PAC) PruFund range of funds. PruFund places your money in the PAC With-Profits Fund, the largest of its kind in the UK, giving you access to a wide range of investments.

PruFund and the With-Profits Fund are owned and managed by PAC. Throughout this Report, 'we' and 'us' refer to the team managing your investment across PIA and PAC, as both are part of M&G plc group.

Whether you're invested in PruFund within the International Prudence Bond, International Portfolio Bond, or the Prudential International Investment Bond, you'll find:

- A breakdown of the types of assets your money is invested in
- Examples of where we invest your money across different assets and countries
- An overview of our approach to investing your money

You don't need to take any action – this Report is for your information only. However, if there are any topics you want more information on, please speak to your adviser. If you don't currently have one further detail can be found on page 20.

This Report focuses on the investment approach for the three offshore bonds mentioned above. You'll see the term with-profits mentioned throughout the Report. For details on what Prudential's With-Profits Fund is and how it works, please see our **With-Profits Money Management Report**.

In this Report, 'bond' refers to your policy with Prudential International Assurance.

Three key takeaways

Use the page numbers to find more information on the following key things.

- You're invested in a Prudential International Assurance (PIA) offshore bond which accesses the PruFund range of funds. This is pooled together with over 2.5 million other investors into the larger With-Profits Fund, managed by Prudential Assurance Company (PAC). – page 4
- The Prudential With-Profits Fund – the largest of its kind in the UK. By pooling your investment with others in the With-Profits Fund, you benefit from diversification across a wide range of assets, so all your eggs aren't in one basket. PruFund's smoothing mechanism also aims to reduce the impact of short-term market ups and downs. – page 4
- We follow the Financial Reporting Council's stewardship guidelines/principles to give you confidence that your money is being invested responsibly. They define stewardship as 'the responsible allocation, management and oversight of capital to create long-term sustainable value for clients and beneficiaries.' – page 7

Where's your money invested?

It may be some time since you first invested in your offshore bond so just as a reminder, below is an overview of the types of assets that you're invested in. The following information is relevant to all policies covered in this Report.

If you're already familiar with the types of assets you're invested in, you can skip this section.

Overview of investing

While you've invested in PruFund through one of three specific offshore bonds covered in this Report, your money is pooled together with that of other investors into a larger Prudential fund known as the With-Profits Fund. Throughout this Report, when we refer to the With-Profits Fund this includes the fund your Bond is invested in.

Prudential's With-Profits Fund is the largest of its kind in the UK with over 2.5 million investors and a total of around £130 billion* invested. The Fund invests this money in a wide range of investments, also known as assets.

What are the types of assets?

There are broad types of investments, or assets, which when grouped together are known as asset classes or asset types. We've provided an explanation on the right as this will help with understanding the performance of the Fund in other sections of this Report. Please see the graphic opposite for a simple explanation of the broad types.

Each one of these asset types has its own level of risk and return. By spreading your investment across asset types, it can help to reduce some of the short-term ups and downs you could get when investing in a single type of asset.

Asset classes



Shares/ Public Equity

Also known as equity, equities, or shares, these represent a share of ownership in a company that is listed on a public stock exchange



Real Estate

Also known as property and could be investment into commercial real estate, such as offices or shopping centres or residential real estate such as student accommodation



Bonds/ Fixed Income

These are loans made to a company or government in return for interest payments and generally carry lower risk than equities. Can also be referred to as fixed interest



Alternatives

These include investment into private equity (shares/companies that are not listed on public stock exchanges), Infrastructure (eg exposure to sources of renewable energy, roads or telecommunications) or Private High Yield (funding to privately-owned businesses which are often smaller early-stage companies)



Other Strategies

This includes what's known as Tactical Asset Allocation (TAA) which is investment with the aim of taking advantage of shorter-term market trends or economic conditions.

Other Strategies also includes exposure to what we refer to as 'Other Factors' and currently includes investment into Hedge Funds which can employ various different strategies



Cash

Money held in liquid, easily accessible forms such as bank deposits or short-term instruments

*As at 30 June 2025

Who's managing your money?

Through your Prudential International Assurance policy, as mentioned earlier, you're invested in the PruFund you selected. This in turn invests in the With-Profits Fund owned by Prudential Assurance Company (PAC). PAC has been around since 1848 and has been helping customers save for their financial future for over 175 years. In 2019, PAC became part of the M&G plc group of companies.

As you would expect with a fund this size, there are many people working on your behalf to manage your investment.

To the right is a simplified overview of who's managing your money in PAC.



Prudential Assurance Company (PAC)

PAC owns the With-Profits Fund, which your policy is invested in, and:

- looks after your money
- is responsible for the policies you hold with us
- delegates many of the key investment decisions to the Life Investment Office (LIO)



Life Investment Office (LIO)

- LIO are specialists in making investment decisions and providing oversight of the funds
- They help us to make the big strategic decisions about:
 - how the With-Profits Fund should invest for the long term
 - how we should approach risks that could impact the value of investments over the long term, like climate change
- LIO decide which asset managers will invest policyholders' money



Asset Managers

Through LIO, we delegate our asset management responsibilities to asset managers to manage your investments on our behalf, this is because they have the skills and experience to deliver against the With-Profits Fund's objectives

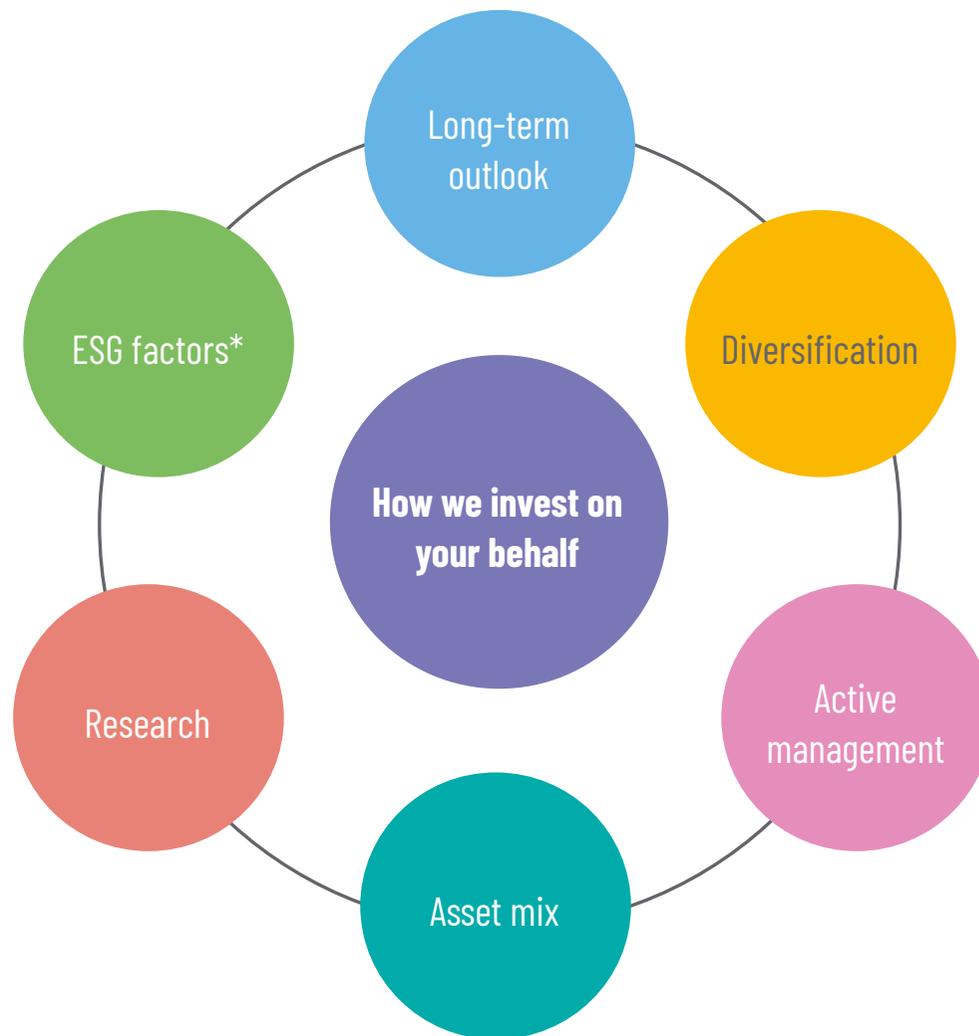
- Many asset managers help manage our With-Profits Fund further diversifying the portfolio
- For information, asset managers can be from:
 - various teams from our internal investment manager, M&G investments
 - outside the M&G plc group, for example, BlackRock Investment Management

What's our investment approach and what does it mean for you?

Our approach to managing your money involves careful consideration of every aspect of investing, from how we choose where to invest (known as asset allocation) through to the oversight of the people and companies investing the money for us.

This also includes our transparency around how we manage your money, of which this Report forms a part.

We have a series of 'money management' Reports for different PruFund Funds that are invested in the With-Profits Fund. If you're interested in more detail about the With-Profits Fund you can view the Report [here](#).



* Environmental, Social and Governance factors are considered where financially material as part of our Investment Policy

Stewardship (our responsible investing approach)

We are signatories to the UK Stewardship Code, which consists of a set of responsible investment principles. The Financial Reporting Council defines stewardship as ‘the responsible allocation, management and oversight of capital to create long-term sustainable value for clients and beneficiaries.’

To demonstrate how we apply the Stewardship Code, we produce the annual Prudential Assurance Company Stewardship Report. This details our approach and actions against the principles set in the Code. You can find this [here](#).

Our stewardship approach to Environmental, Social and Governance factors

When investing your money, as part of our duty to policyholders, we aim to maintain the performance objectives of our PruFund range of funds and With-Profits Fund. This includes, where financially material, considering Environment, Social and Governance (ESG) factors while we continue to deliver on the objectives of the fund you’re invested in. These factors can vary depending on the fund.

We communicate our ESG priorities at PAC. One way we do this is by sending an annual ESG letter to the people who manage the investments on your behalf (our asset managers). This letter explains what we expect from them when it comes to ESG factors as well as our focus areas for the coming year. We also set out our principles and requirements in our ESG Investment Policy.

M&G plc’s sustainability priorities are outlined in the M&G plc **Annual Report and Accounts**. The policies you’re invested in fit with these priorities.

Our ESG Investment Policy

You can find out more about our approach to investing in the PAC ESG Investment Policy, which helps make sure our decisions and behaviours are consistent with our values of care and integrity, and our corporate sustainability approach. You can find the full policy [here](#).

We’ve given you an overview of how we invest your money and where we invest your money. In the next section, we’ll go into more specific detail about the policy you’re invested in.

Find the information for your policy

This part of the Report is to help you quickly locate the information that's most relevant to your policy. Whether you hold an International Prudence Bond, International Portfolio Bond, or a Prudential International Investment Bond, you'll find:

- A breakdown of the types of assets your money is invested in
- Real-world examples of how we invest your money
- Where we invest your money across the world

Some funds are available in different currency versions (which can include Pound Sterling, Euro, and US Dollar) each with its own unique asset mix. We've provided an overview, however, if you're unsure about which type of fund you are invested in you can find this information in your annual benefit statement or by contacting your financial adviser.



PIA International Prudence Bond

Pound Sterling – Page 10

Euro – Page 12

US Dollar – Page 14



PIA Prudential International Investment Bond

Pound Sterling – Page 10

Euro – Page 12

US Dollar – Page 14



PIA International Portfolio Bond

Pound Sterling – Page 16

This Report doesn't cover performance of your Bond, for this type of information, please check your annual benefit statement or contact your financial adviser.

PIA International Prudence Bond and Prudential International Investment Bond

If you have either an **International Prudence Bond** or a **Prudential International Investment Bond policy** invested in the PIA PruFund range of funds, this next part is for you. If you hold an International Portfolio Bond policy, please go to page 16.

We've broken down the sections by currency so you can easily go to the part that matches your fund; **Pound Sterling (page 10)**, **Euro (page 12)**, and **US Dollar (page 14)**. Each section includes:

- A breakdown of the types of assets your money is invested in
- Real-world examples of how we invest your money
- Where we invest your money across the world

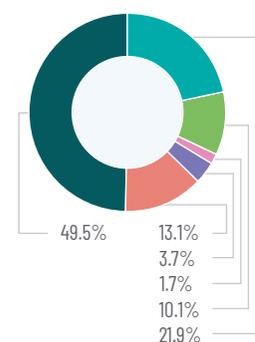
Pound Sterling currency PruFunds

Please note, this section also covers the Protected PruFunds in this range as well, as they have the same asset mix and investment strategy as the other Sterling Funds in this section.

The types of assets you're invested in

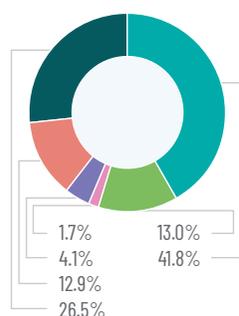
Each Fund shown below has a slightly different mix of investments. The Fund you're invested in has a different level of risk and reward, compared to others available in this range, and its asset mix reflects this.

PIA PruFund Cautious Sterling Fund



Public Equity
Other Strategies

PIA PruFund Growth Sterling Fund



Real Estate
Alternatives
Cash
Fixed Income

Examples of how we invest your money

We've picked out a couple of current examples from the PIA PruFund Cautious and Growth Funds to show how your money is invested across different asset classes. The two examples highlight the type of companies, projects and/or locations your policy supports.



An example of real estate:

(1) **The Ribbon (London, UK):** An 80,000 square foot redevelopment West End office scheme on the corner of Oxford Street and Wells Street in London. The Ribbon's position aligns with the evolving needs of today's office occupiers seeking quality spaces in prime locations.



An example of an alternative – infrastructure:

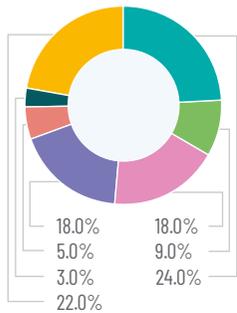
(1) **Gigaclear (Oxford, UK):** A leading provider of ultrafast broadband to hundreds of thousands of homes across rural areas of Britain. Investment is supporting the build of new full fibre networks, helping to bridge the gap between rural and urban broadband access.

Where we invest your money across the world

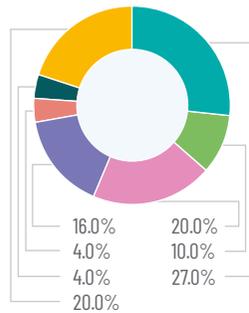
Because of the size of Prudential's With-Profits Fund, which you're invested in through PruFund, your money is invested across a wide range of countries, regions, and asset types. This global diversification helps manage risk by reducing exposure to any single economy.

The Pound Sterling Funds in this section have a slight bias towards UK investments. Below, you'll find examples of where in the world your money is invested.

PIA PruFund Cautious Sterling Fund



PIA PruFund Growth Sterling Fund



Figures may not total to 100% due to the effects of rounding.

If you want to understand the performance of your policy, please see your annual benefit statement or speak to your adviser.

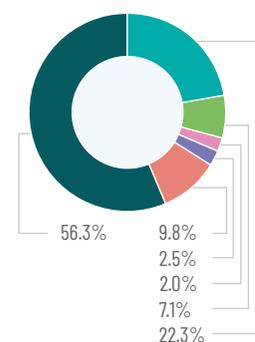
Euro currency PruFunds

Please note, this section also covers the Protected PruFunds in this range as well, as they have the same asset mix and investment strategy as the other Euro Funds in this section.

The types of assets you're invested in

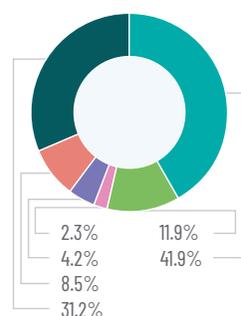
Each Fund shown below has a slightly different mix of investments. The Fund you're invested in has a different level of risk and reward, compared to others available in this range, and its asset mix reflects this.

PIA PruFund Cautious Euro Fund



Public Equity
Other Strategies

PIA PruFund Growth Euro Fund



Real Estate
Alternatives
Cash
Fixed Income

Examples of how we invest your money

We've picked out a couple of current examples from the PIA PruFund Cautious and Growth Funds to show how your money is invested across different asset classes. The two examples highlight the type of companies, projects and/or locations your policy supports.



An example of real estate:

(1) **Hypermarket Portfolio (Marseille/Montpellier, France):** Two hypermarket properties in France benefitting from sustained demographic growth in the area, enjoying significant footfall from both tourists and locals. Invested via M&G European Real Estate Fund.



An example of an alternative – private equity:

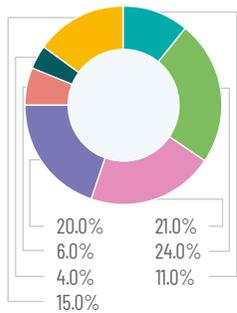
(1) **Agrupapulpi (Almeira, Spain):** A leading producer and exporter of field-grown fruits and vegetables in Europe, from seeding to cultivation, harvesting, processing and delivery, becoming a reliable partner for main European retailers. Invested via M&G Real Assets Fund.

Where we invest your money across the world

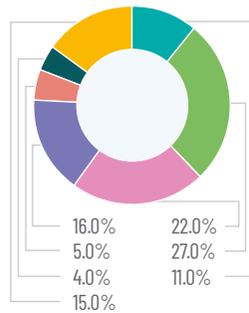
Because of the size of the With-Profits Fund, which you're invested in through PruFund, your money is invested across a wide range of countries, regions, and asset types. This global diversification helps manage risk by reducing exposure to any single economy.

The Euro Funds in this section have a slight bias towards European investments. Below, you'll find examples of where in the world your money is invested.

PIA PruFund Cautious Euro Fund



PIA PruFund Growth Euro Fund



Figures may not total to 100% due to the effects of rounding.

If you want to understand the performance of your policy, please see your annual benefit statement or speak to your adviser.

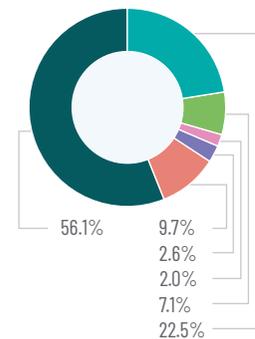
US Dollar currency PruFunds

Please note, this section also covers the Protected PruFunds in this range as well, as they have the same asset mix and investment strategy as the other US Dollar Funds in this section.

The types of assets you're invested in

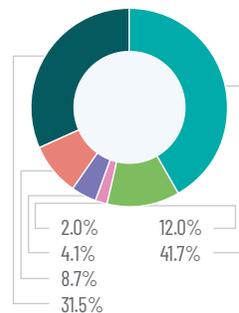
Each Fund shown below has a slightly different mix of investments. The Fund you're invested in has a different level of risk and reward, compared to others available in this range, and its asset mix reflects this.

PIA PruFund Cautious USD Fund



Public Equity
Other Strategies

PIA PruFund Growth USD Fund



Real Estate
Alternatives
Cash
Fixed Income

Examples of how we invest your money

We've picked out a couple of current examples from the PIA PruFund Cautious and Growth Funds to show how your money is invested across different asset classes. The two examples highlight the type of companies, projects and/or locations your policy supports.



An example of equity:

(1) **Nvidia Corporation (California, USA):** An American multinational corporation and technology company that's a dominant supplier of artificial intelligence hardware and software and supplies computer graphics processing units for data science and high-performance computing.



An example of real estate:

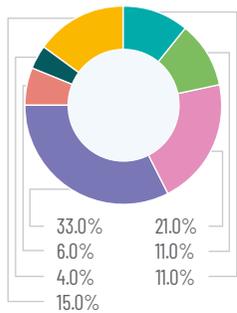
(1) **Garden State Plaza (New Jersey, USA):** The shopping centre spans approximately 2.1 million square feet, includes over 300 stores, and provides 10,796 parking spaces. Opened in 1957, it ranks among the largest malls in the United States, attracting around 20 million visitors annually.

Where we invest your money across the world

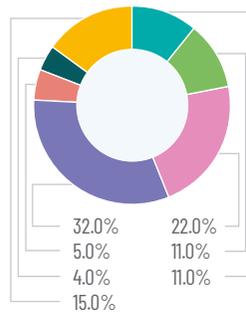
Because of the size of the With-Profits Fund, which you're invested in through PruFund, your money is invested across a wide range of countries, regions, and asset types. This global diversification helps manage risk by reducing exposure to any single economy.

The US Dollar Funds in this section have a slight bias towards US investments. Below, you'll find examples of where in the world your money is invested.

PIA PruFund Cautious USD Fund



PIA PruFund Growth USD Fund



Figures may not total to 100% due to the effects of rounding.

If you want to understand the performance of your policy, please see your annual benefit statement or speak to your adviser.

PIA International Portfolio Bond

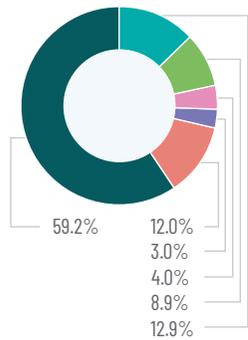
If you hold either a PIA International Prudence Bond or a PIA Prudential International Investment Bond policy, please go to page 10.

Pound Sterling currency PruFunds

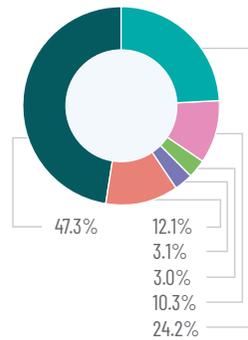
The types of assets you're invested in

Each Fund shown below has a slightly different mix of investments. The Fund you're invested in has a different level of risk and reward, compared to others available in this range, and its asset mix reflects this.

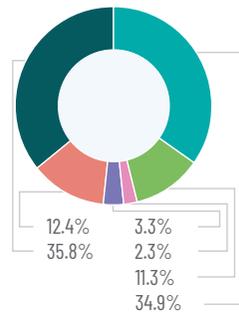
PIA Risk Managed
PruFund 1



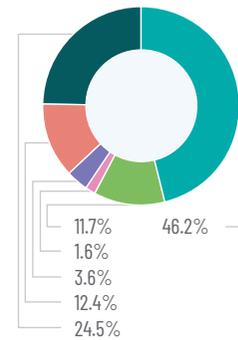
PIA Risk Managed
PruFund 2



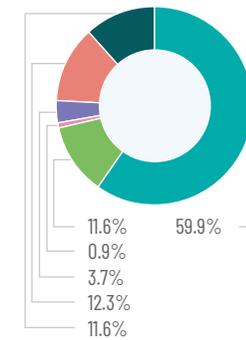
PIA Risk Managed
PruFund 3



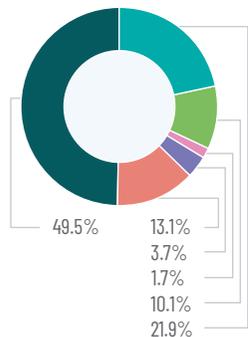
PIA Risk Managed
PruFund 4



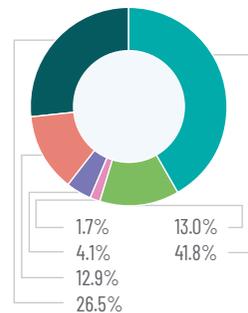
PIA Risk Managed
PruFund 5



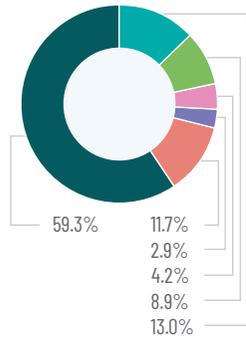
PIA PruFund Cautious



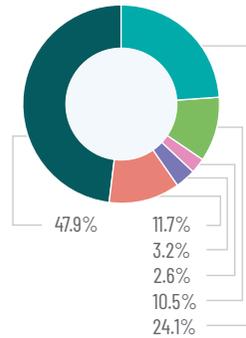
PIA PruFund Growth



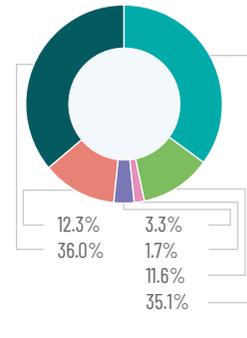
PIA PruFund Planet 1



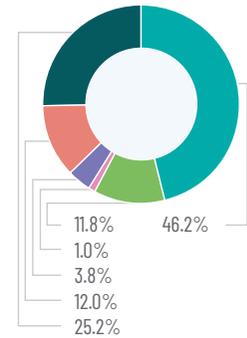
PIA PruFund Planet 2



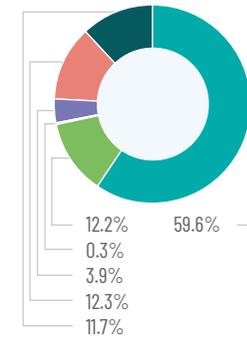
PIA PruFund Planet 3



PIA PruFund Planet 4



PIA PruFund Planet 5



Examples of how we invest your money

We've picked out a couple of current examples from the PIA PruFund Cautious, Growth, and Risk Managed Funds to show how your money is invested across different asset classes. The two examples highlight the type of companies, projects and/or locations your policy supports.



An example of an alternative – private equity:

(1) Northern Gritstone (Manchester/Leeds/Sheffield/London, UK):

New investment business focussed on university spin-outs in the north of England. Founded by the universities of Leeds, Manchester, and Sheffield to support the commercialisation of science and IP-rich businesses originating from these three research-led institutions. Many of these opportunities are in the UK's most exciting emerging sectors such as advanced materials, health technology, cognitive computation and AI.



An example of real estate:

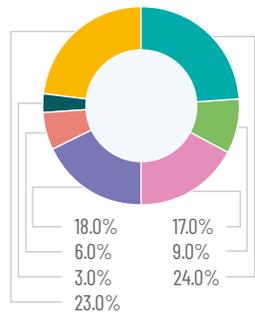
(1) Cribbs Causeway (Bristol, UK): An 800,000 sq. ft. shopping mall, which hosts over 140 retailers and has 7,000 car parking spaces. Leasing activity in recent years has brought occupancy to almost 100%.

Where we invest your money across the world

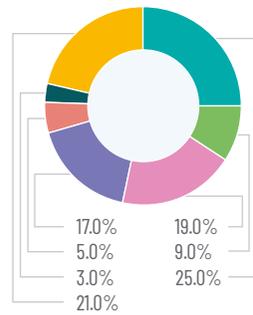
Because of the size of the With-Profits Fund, which you're invested in through PruFund, your money is invested across a wide range of countries, regions, and asset types. This global diversification helps manage risk by reducing exposure to any single economy.

The Pound Sterling Funds in this section have a slight bias towards UK investments. Below, you'll find examples of where in the world your money is invested.

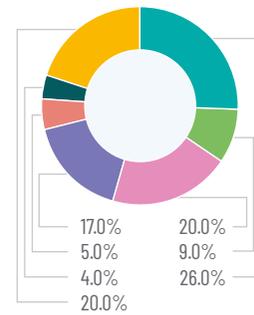
**PIA Risk Managed
PruFund 1**



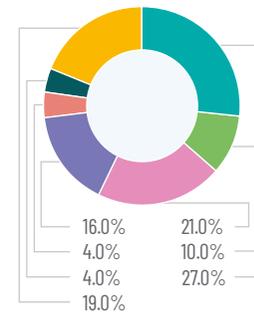
**PIA Risk Managed
PruFund 2**



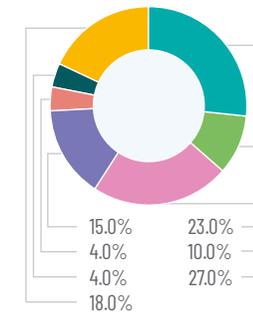
**PIA Risk Managed
PruFund 3**



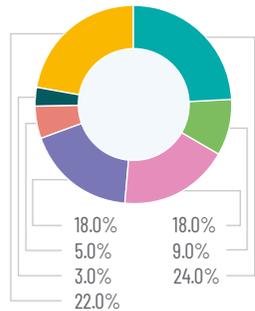
**PIA Risk Managed
PruFund 4**



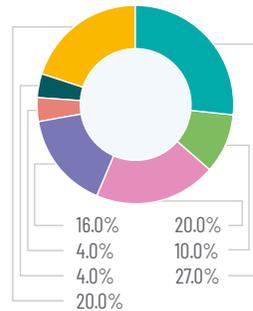
**PIA Risk Managed
PruFund 5**



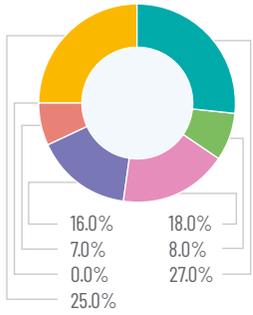
PIA PruFund Cautious



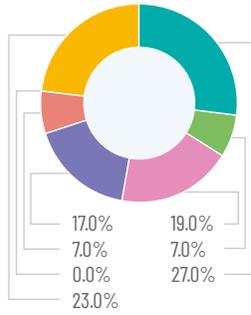
PIA PruFund Growth



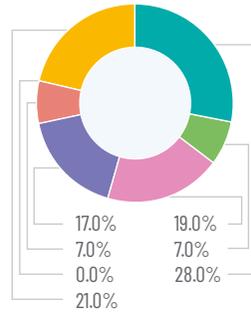
PIA PruFund Planet 1



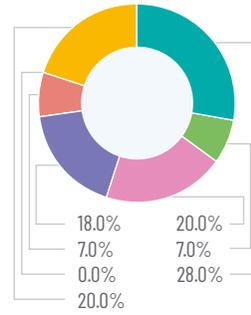
PIA PruFund Planet 2



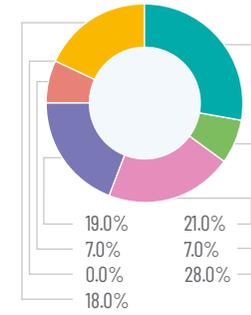
PIA PruFund Planet 3



PIA PruFund Planet 4



PIA PruFund Planet 5



Figures may not total to 100% due to the effects of rounding.

If you want to understand the performance of your policy, please see your annual benefit statement or speak to your adviser.

How to find more about your policy

If you're unsure which fund(s) your policy is invested in, or want more information on your policy, such as performance, there are several ways you can find out:

- a) You can contact your adviser, if you have one
- b) If you'd like information about your policy, you can find out directly by:
 - 1. Looking at your policy annual statement
 - 2. **Going to our website**
- c) To find a financial adviser, you can go to **unbiased.co.uk** or a similar service available in your location.

We hope you've found this Report interesting and that it has given you some useful insights into how your investment is managed.

Our aim is to keep you informed and reassured that your money is being managed with care and a long-term perspective.

pru.co.uk

The registered office of Prudential International is in Ireland at Fitzwilliam Court, Leeson Cl, Dublin 2, D02 YW24. Prudential International is a marketing name of Prudential International Assurance plc, a life assurance company operating from Ireland. Registration No. 209956. Prudential International Assurance plc is authorised and regulated by the Central Bank of Ireland and in the context of its UK regulated activities only, is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Prudential International is part of the same corporate group as The Prudential Assurance Company Limited. Both The Prudential Assurance Company Limited and Prudential International are direct and indirect subsidiaries respectively of M&G plc, a company incorporated in the United Kingdom. The Prudential Assurance Company Limited is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.