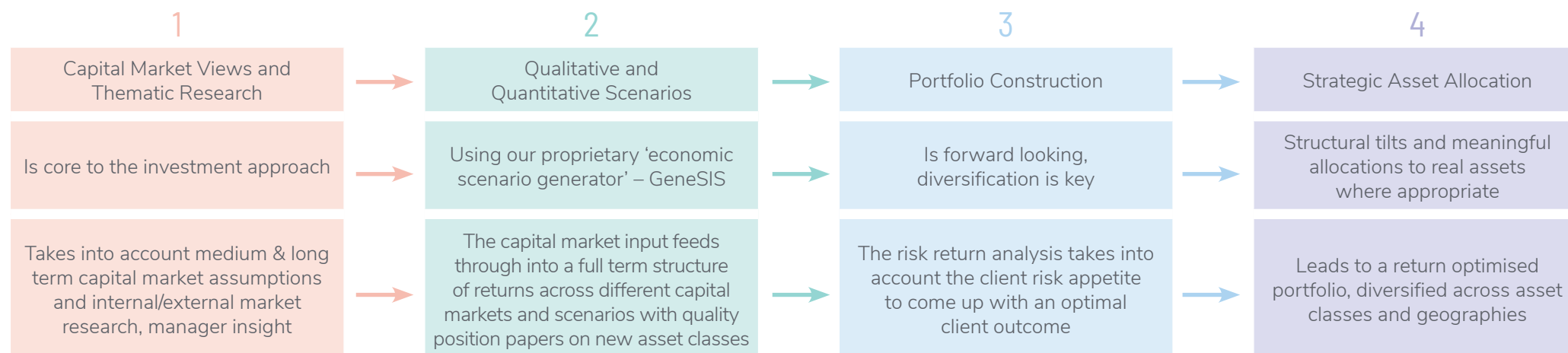


# PruFund Strategic Asset Allocation Review (SAA) Process

A look under the bonnet at what happens during the annual SAA review process and the benefits this brings to PruFunds.

The M&G Treasury and Investment Office (T&IO) are the team of in-house investment strategists and 'manager of managers' for Prudential and the £63bn (as at 30 June 2024) PruFund range of multi-asset funds. Each year the T&IO Long-Term Investment Strategy team complete an SAA review. Key to this is their own capital market assumptions for the expected returns, volatilities and correlations of the various asset classes that sit within PruFunds.

Here are the 4 key steps to the SAA review process:

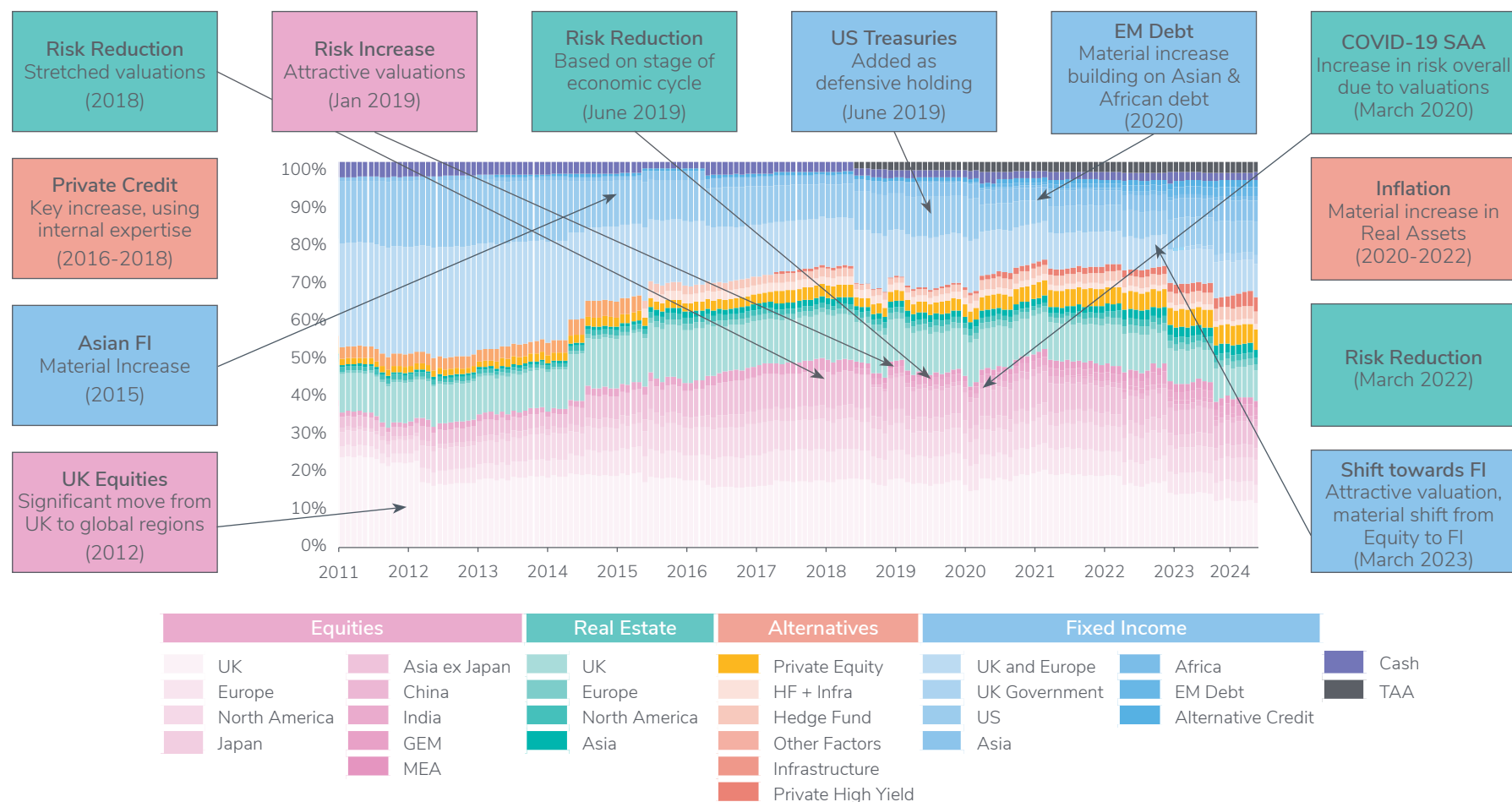


## Benefits of the SAA process

- **Customer outcomes** – ensuring that expected client outcomes are mapped to the fund's objectives for optimal outcomes
- **Tailored risk appetite** – that all portfolios have a bespoke SAA that is designed for their specific needs, with any particular constraints being taken into account allowing for a range of client scenarios
- **Efficient risks and returns** – for a given risk appetite, T&IO chooses an asset allocation that generates the highest return while providing stability across multiple market scenarios
- **Consistency across fund ranges** – within the stated fund objectives and risk appetite, ensuring a consistent SAA across funds with a similar risk appetite and other similar funds
- **Other constraints** – reviewing any other constraints, such as cost and liquidity so clients can invest at a competitive price

# The evolution of PruFunds Strategic Asset Allocation

Take a look at how we've evolved PruFund Growth's asset allocation since 2011, using the SAA process to adapt to capital market opportunities.



Source: M&G Treasury & Investment Office Asset Allocation from 01/01/2011 to 30/06/2024 for PruFund Growth.

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