

PruFund Cautious Life Fund

This document is for use by individuals who are familiar with investment terminology. If there is product information included that you would like to discuss, then please contact your financial adviser.

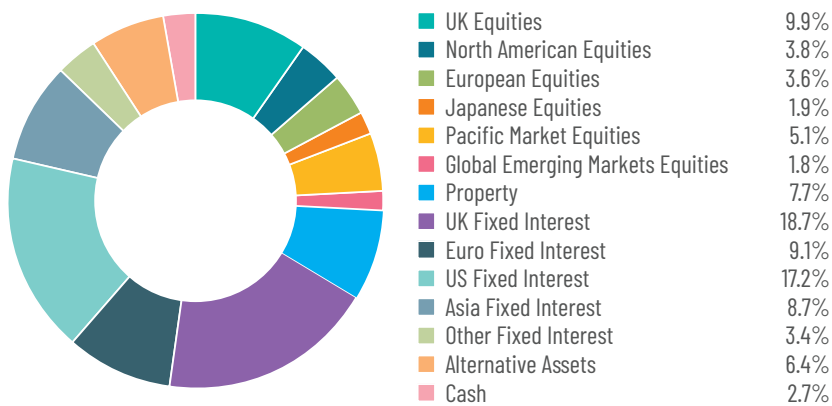
The PruFund range of funds aim to grow investors money over the medium to long term (5 to 10 years or more) while protecting investors' from some of the short-term ups and downs of direct stockmarket investments by using an established smoothing process.

The PruFund Cautious Life Fund invests in the Prudential With-Profits Fund. Please refer to "Your With-Profits Plan – A guide to how we manage the Fund" (PruFund range of funds), reference WPGBO031, for more information on how the fund works. For more information on our products, refer to your product Key Features document, available from your financial adviser.

Fund aim

Objective: The fund aims for steady and consistent growth over the medium to long term (5 to 10 years or more) through a cautious approach to investing. The fund invests in UK and international equities, property, fixed interest securities, index-linked securities, cash and other specialist investments. The fund will aim to invest 50-75% in fixed interest securities, index-linked securities and cash, although we may occasionally move outside this range to meet the fund objectives.

Asset allocation



Source: Prudential as at 30 September 2020. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

Fund manager commentary – Q3 2020

The global economy continued to recover strongly during the third quarter of 2020 after many developed countries suffered their biggest falls in quarterly GDP on record in the second quarter as the COVID-19 pandemic took hold. In the UK for example, GDP fell by –19.8%, reflecting the severity of the lockdown measures taken to reduce transmission of the virus.

The UK lagged the major regional equity markets in the third quarter as confidence at home was undermined by concerns about Brexit, the withdrawal of £38 billion of dividends in the first half of the year and a resurgence of COVID-19 cases. US stockmarkets enjoyed another strongly positive quarter as investor sentiment recovered from March, although weakness in September pared back some of the gains. Overall, stockmarkets in China, Japan & Asia Pacific ex Japan continued to recover in the third quarter. European equities ended the quarter flat.

Including rental income, UK commercial property recorded a small positive return over the third quarter of the year. Industrials was the only sector to report capital growth in July and August. On the other hand, Retail capital values continued to fall significantly. UK government bonds (gilts) delivered slightly negative returns over the period. Yields on 10-year US Treasuries fell to a historic low of 0.5% in early August, before edging up to 0.7% at the end of September. The 10-year German bund yields remained in negative territory.

The M&G Treasury & Investment Office (T&IO) outlook remains cautious as global economic growth will be lower in 2020.

This commentary reflects the general views of individual fund managers and should not be taken as a recommendation or advice as to how any specific market is likely to perform.

PruFund Cautious Life Fund

The PruFund Cautious Life Fund performance figures shown below are intended only to demonstrate performance history of the fund over the period shown. The PruFund funds include a representative fund charge of 0.65% pa and further costs. They take no account of product or advice charges. The application of charges and further costs will impact the overall performance. Please also note that our charges and further costs may vary in the future and may be higher than they are now. Fund performance is based upon the movement of the daily price and is shown as total return in GBP with net income reinvested.

Fund past performance

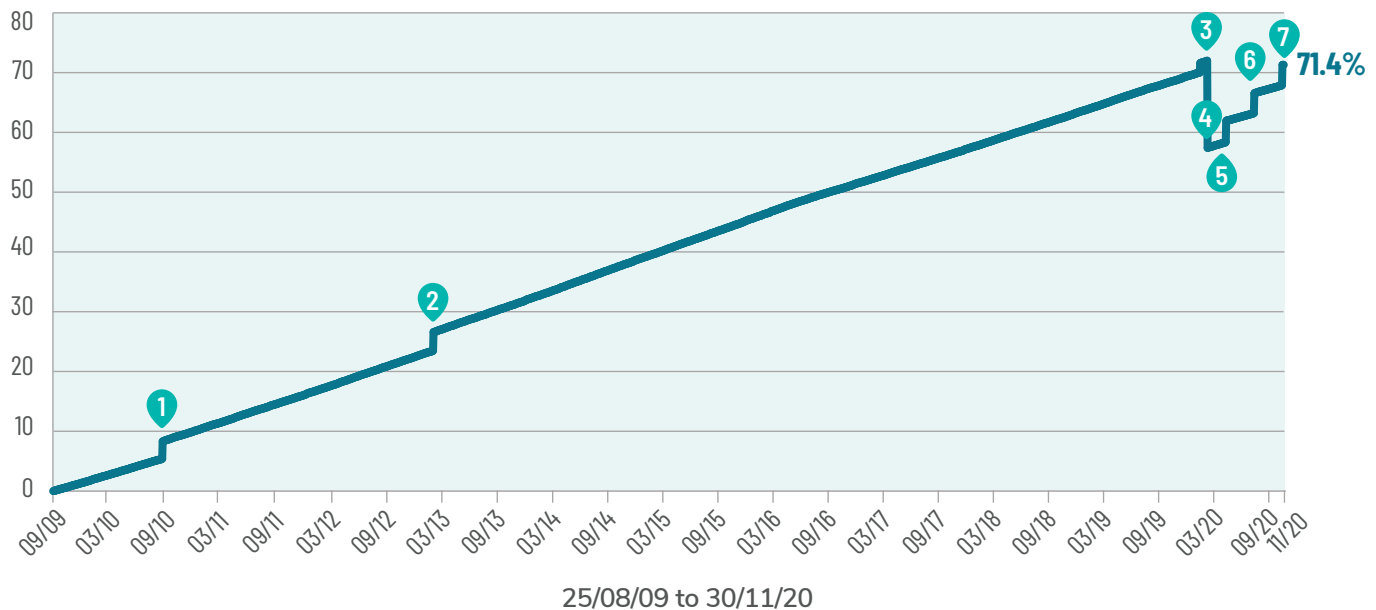
Annual performance of the PruFund Cautious Life Fund in each of the last 5 years.

30/11/2015 to 30/11/2016	30/11/2016 to 30/11/2017	30/11/2017 to 30/11/2018	30/11/2018 to 30/11/2019	30/11/2019 to 30/11/2020
4.3%	3.8%	3.8%	3.7%	1.6%

We can't predict the future. Past performance isn't a guide to future performance.

Percentage growth since launch

Prudential PruFund Cautious Life Fund. This graph shows the daily smoothed fund performance in % change from launch to the end of the most recent reporting period. Any significant vertical movements are unit price adjustments (UPAs) and or unit price reset (UPR).



UPA/UPR	1	2	3	4	5	6	7
Value	2.78%	2.56%	0.90%*	-8.46%	2.22%	2.04%	2.02%
Date	25/08/10	25/02/13	26/02/20	20/03/20	26/05/20	25/08/20	25/11/20

* Special UPA which allows for the additional surplus we've shared. This has no impact on the smoothing process. For further details visit: pru.co.uk/egr

All figures source: Financial Express Analytics, bid to bid, with net income reinvested.

The value of your investment can go down as well as up so you might not get back the amount you put in. For the range of PruFund funds, what you receive will depend on the value of the underlying investments, the Expected Growth Rates (EGR) as set by the Prudential Directors, our charges, the smoothing process, if there is a guarantee, and when you take your money out. For more in depth information on our smoothing process, including Unit Price Adjustments (UPAs) and expected growth rates please visit pru.co.uk/egr/

We may apply a waiting period to specific transactions for the PruFund fund. Please refer to the relevant product Key Features Document for further details.

pru.co.uk

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