

Risk Managed PruFund Funds

PruFund Risk Managed 1, PruFund Risk Managed 2, PruFund Risk Managed 3, PruFund Risk Managed 4, PruFund Risk Managed 5

PruFund Features

- Uses our established PruFund smoothing process.
- Access to a globally diversified range of assets.
- Managed by the multi-asset investment experts at M&G Treasury & Investment Office (T&IO).

Risk Managed PruFund Features

- The five funds aim to help you match the results of your client risk assessments to funds.
- As these funds use our established PruFund smoothing process, each fund has an Expected Growth Rate (EGR), that we review each quarter. If the short term performance differs too much from our Expected Growth Rate we would apply an upward or downward Unit Price Adjustment (UPA) to the fund.
- They use T&IO asset allocation models to decide the high level asset allocation positions for each of the funds.
- Within each high level asset type (for example international equities or fixed interest) the amount held in different types of that asset is driven by the proportion held in the main With-Profits Fund.
- These funds invest in our With-Profits Fund, but have different asset allocations and fund aims. There may be occasions where we have to suspend the smoothing process for one or more PruFund funds for a period of consecutive days, to protect our With-Profits fund. When this happens the smoothed price for the affected fund(s) is set to the unsmoothed price for each day until we reinstate the smoothing process. This can happen independently for each fund in the PruFund Range of funds. We may decide to reset the unit price of a PruFund fund to the unsmoothed price on a particular day. A unit price reset means that the unit price of the affected PruFund would be adjusted to be the same value as the relevant unsmoothed price on that working day. That adjusted unit price would then continue to grow in line with the relevant Expected Growth Rate from the next working day.
- We'd only reset the unit price like this, to protect the With-Profits Fund.
- The value of any investment and any income taken from it can go down as well as up so your customer might not get back the amount they put in.

Product Availability

	UK Bond		Pensions		Prudential ISA*	Retirement Account
	Flexible Investment Plan	Prudential Investment Plan**	Flexible Retirement Plan	Trustee Investment Plan		
PruFund Risk Managed 1	✓	✓	✓	✓	✓	✓
PruFund Risk Managed 2	✓	✓	✓	✓	✓	✓
PruFund Risk Managed 3	✓	✓	✓	✓	✓	✓
PruFund Risk Managed 4	✓	✓	✓	✓	✓	✓
PruFund Risk Managed 5		✓			✓	✓ [^]

* The Prudential ISA is provided by Link Financial Investments Limited, the ISA Plan Manager. Link Financial Investments Limited is responsible for all the regulatory and legal aspects of the ISA and the provision of customer services.

** Also applies to PruFund Investment Plan Mark 3.

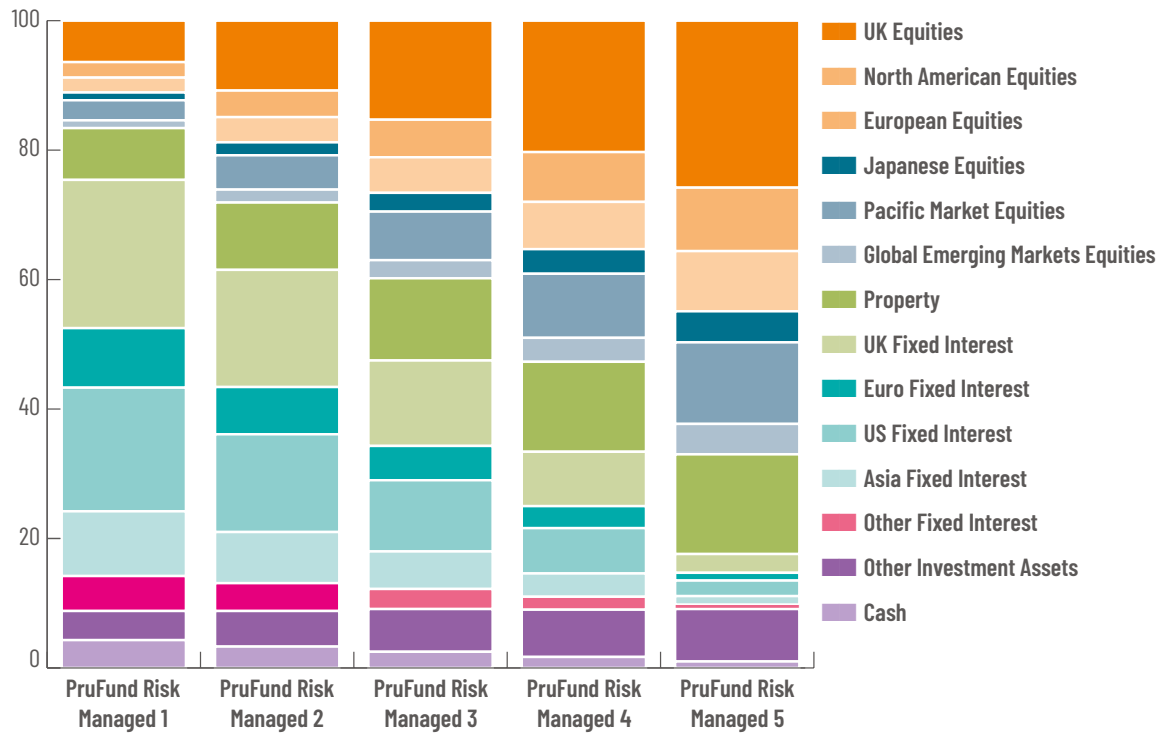
[^] Only available on Retirement Account Series E.

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

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

Where the funds invest

Here are the asset allocation positions of these funds 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.

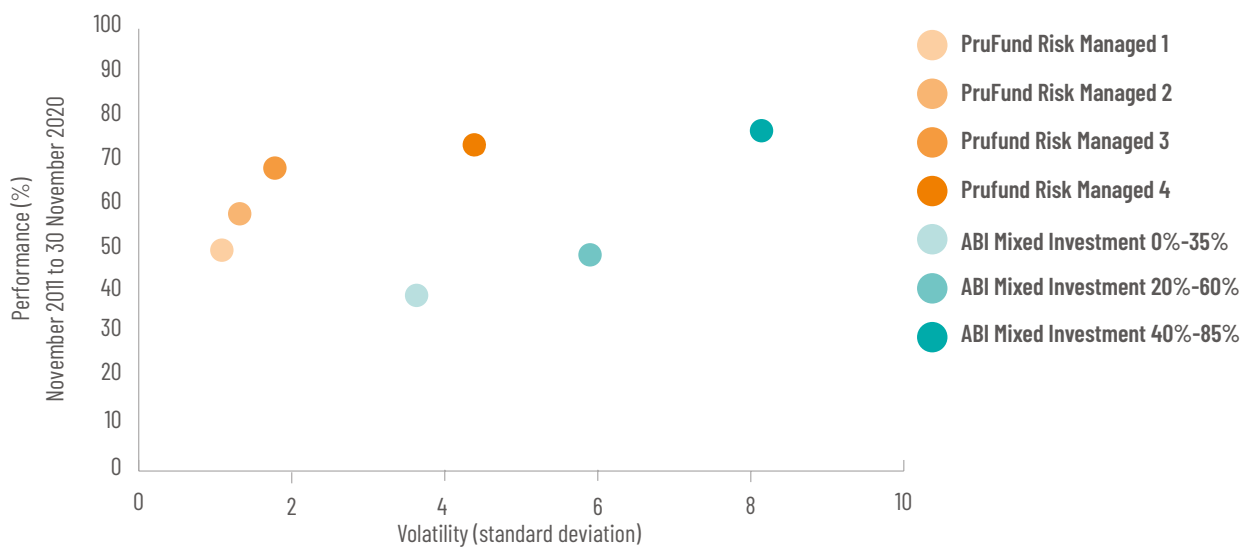


	PruFund Risk Managed 1	PruFund Risk Managed 2	PruFund Risk Managed 3	PruFund Risk Managed 4	PruFund Risk Managed 5
UK Equities	6.40%	10.80%	15.30%	20.30%	25.80%
North American Equities	2.40%	4.00%	5.70%	7.50%	9.40%
European Equities	2.30%	3.90%	5.50%	7.30%	9.30%
Japanese Equities	1.20%	2.00%	2.80%	3.80%	4.80%
Pacific Market Equities	3.30%	5.50%	7.80%	10.40%	13.20%
Global Emerging Markets Equities	1.20%	2.00%	2.90%	3.80%	4.80%
Property	8.00%	10.50%	12.70%	14.00%	15.40%
UK Fixed Interest	21.90%	17.30%	12.70%	8.00%	2.90%
Euro Fixed Interest	10.80%	8.60%	6.30%	4.00%	1.40%
US Fixed Interest	18.00%	14.20%	10.40%	6.60%	2.40%
Asia Fixed Interest	9.80%	7.80%	5.70%	3.60%	1.30%
Other Fixed Interest	6.30%	5.00%	3.60%	2.30%	0.80%
Other Investment Assets	3.00%	3.80%	4.60%	4.90%	5.60%
Cash	5.40%	4.60%	4.00%	3.50%	2.90%

Please note figures may not add up to 100% due to rounding.

Example of Risk Managed PruFund Fund Performance (Prudential Investment Plan)

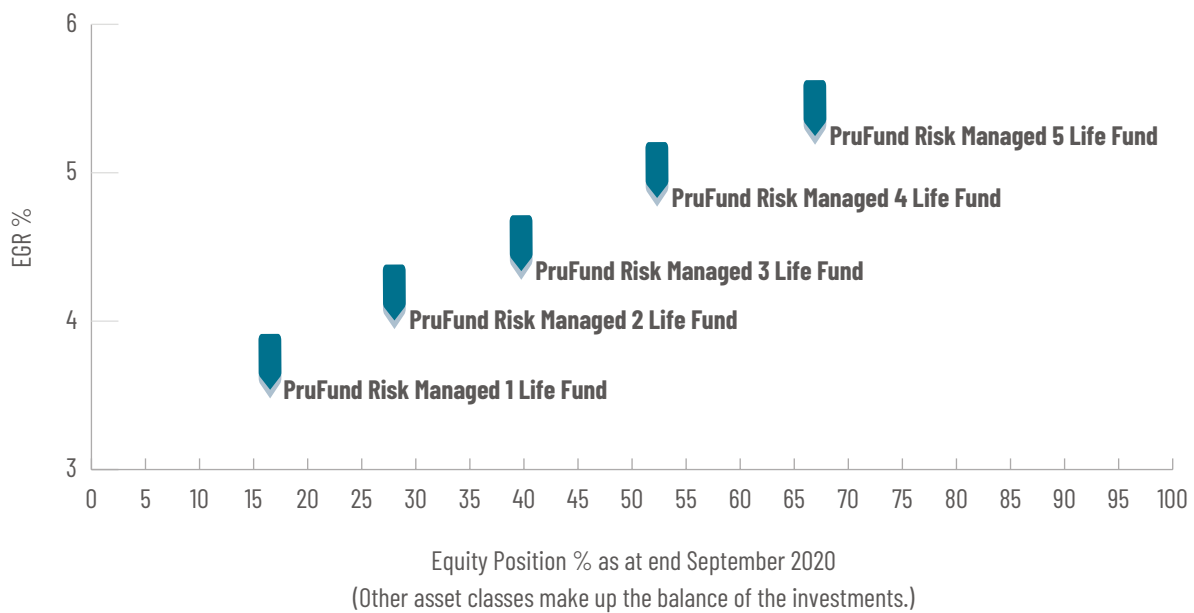
The volatility and return graph below shows how the Risk Managed PruFund funds have behaved since launch against sectors which contain funds with similar levels of equity assets. Our intention when managing the various funds is that they will demonstrate different investment risk characteristics over the long term (10+ years), with PruFund Risk Managed 1 having the lowest risk, and PruFund Risk Managed 5 having the highest risk (and the other funds being in-between). The chart shows that the funds have demonstrated characteristics consistent with this. We can't predict the future. Past performance isn't a guide to future performance. The value of any investment and any income taken from it can go down as well as up so your customer might not get back the amount they put in.



Source: FE, bid to bid, net income reinvested but net of fund tax, 25 November 2011 to 30 November 2020. The figures 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 any 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. Some, if not all, of the funds comprising the ABI sector averages are net of fund charges.

Example of Expected Growth Rates and equity positions (Prudential Investment Plan)

The graph below shows the Expected Growth Rates for each of the funds and their equity positions. The Expected Growth Rates quoted are gross of all product charges, including Annual Management Charges, and are applicable from 25 November 2020. The Expected Growth Rate is the annualised rate which will normally be applied daily to increase the unit price of the fund. They are set quarterly by the Prudential Assurance Company Ltd Directors, having regard to the expected long-term investment return on the assets of the fund. The Life and Pension funds have different Expected Growth Rates due to the differences in taxation for each type of fund.

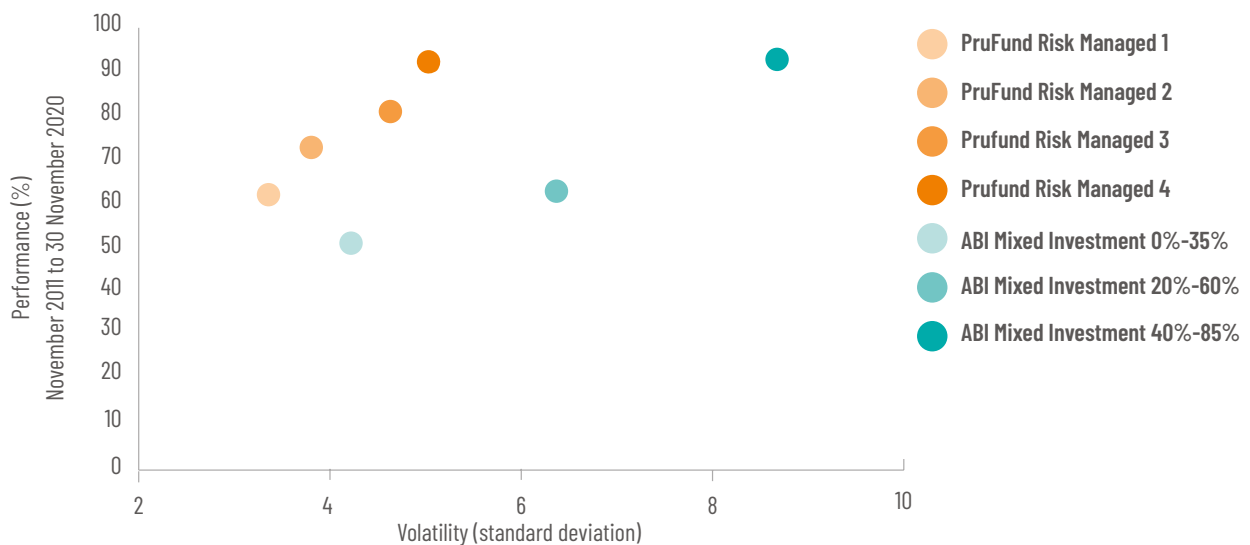


Expected Growth Rates are only one part of the smoothing process and there are other factors that impact on what an investor will receive. There may be occasions where we have to suspend the smoothing process for one or more PruFund funds for a period of consecutive days, to protect our With-Profits fund. When this happens the smoothed price for the affected fund(s) is set to the unsmoothed price for each day until we reinstate the smoothing process. This can happen independently for each fund in the PruFund range of funds. We may decide to reset the unit price of a PruFund fund to the unsmoothed price on a particular day. A unit price reset means that the unit price of the affected PruFund would be adjusted to be the same value as the relevant unsmoothed price on that working day. That adjusted unit price would then continue to grow in line with the relevant Expected Growth Rate from the next working day.

We'd only reset the unit price like this, to protect the With-Profits Fund.

Example of Risk Managed PruFund Fund Performance (Flexible Retirement Plan, Trustee Investment Plan)

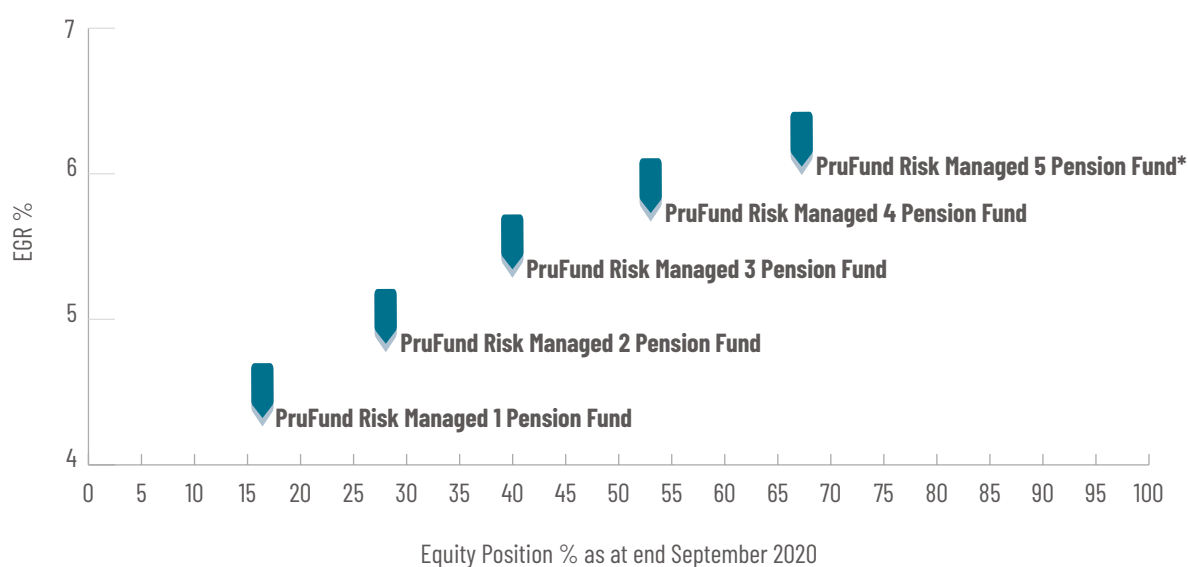
The volatility and return graph below shows how the Risk Managed PruFund funds have behaved since launch against sectors which contain funds with similar levels of equity assets. Our intention when managing the various funds is that they will demonstrate different investment risk characteristics over the long term (10+ years), with PruFund Risk Managed 1 having the lowest risk, and PruFund Risk Managed 4 having the highest risk (and the other funds being in-between). The chart shows that the funds have demonstrated characteristics consistent with this. We can't predict the future. Past performance isn't a guide to future performance. The value of any investment and any income taken from it can go down as well as up so your customer might not get back the amount they put in.



Source: FE, bid to bid, net income reinvested but net of fund tax, 25 November 2011 to 30 November 2020. The figures 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 any 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. Some, if not all, of the funds comprising the ABI sector averages are net of fund charges.

Example of Expected Growth Rates (EGR) and equity positions (Flexible Retirement Plan, Trustee Investment Plan, Prudential ISA, Retirement Account (Series E))

The graph below shows the Expected Growth Rates for each of the funds and their equity positions. The Expected Growth Rates quoted are gross of all product charges, including Annual Management Charges, and are applicable from 25 November 2020. ISA funds launched 26 February 2015 so EGRs are effective from that date. The Expected Growth Rate is the annualised rate which will normally be applied daily to increase the unit price of the fund. They are set quarterly by the Prudential Assurance Company Ltd Directors, having regard to the expected long-term investment return on the assets of the fund. The Life and Pension funds have different Expected Growth Rates due to the differences in taxation for each type of fund.



(Other asset classes make up the balance of the investments.)

* Not available for Flexible Retirement Plan or Trustee Investment Plan.

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Further information

For further information on these funds, and the latest EGR figures, please visit pruadviser.co.uk/funds/prufund/

pruadviser.co.uk

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