

# 2024 Bonus Declaration

With-Profits Pension Annuity (excluding former Equitable Life With-Profits Annuities)

This document gives you information about the current bonuses for your With-Profits Pension Annuity plan. If you have any questions after reading this, please speak to your financial adviser or give us a call. You can also visit [pru.co.uk/existing-customers](https://pru.co.uk/existing-customers)

## So how have we done?

In 2023, our globally diversified With-Profits Fund produced a positive return in changeable, and fast moving, economic conditions.

We're also delighted to have additional money in our With-Profits Sub-Fund to share with our With-Profits Pension Annuity customers at this bonus declaration which increases the unsmoothed value of their plans by 1.25%. The amount being shared is £1bn. The additional money shared, is reflected in our Additional Bonuses from this year. You shouldn't expect to get additional money in the future. There's also a chance we might have to take back the additional money distributed this year (or in previous years) in future but, unless something very unusual happened, we wouldn't expect to have to do this. You can find out more on our website at: [pru.co.uk/aboutadditionalmoney](https://pru.co.uk/aboutadditionalmoney)

In 2024, the team will continue to take decisions that allow them to manage the Fund prudently. We'll aim to secure the highest total return for the Fund (after any tax and expenses) while maintaining an acceptable level of risk and protecting our customers.

The table below shows our With-Profits Fund returns for this year and over the last 10 years.

Bonus Declaration Year										
Gross Fund Return in preceding year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	8.3%	3.6%	14.5%	10.3%	-2.8%	11.5%	1.7%	12.0%	-1.5%	4.3%

Source: Prudential. 'Gross' refers to before tax, charges and the effects of smoothing. Fund returns do not include the additional surplus shared as part of the PAC Final 2020, 2022, 2023 and 2024 Bonus Declarations.

## What does this mean for you?

The table below shows the bonuses we've announced from 6 April 2024.

Your yearly statement will show the change in your income as a result of these bonuses after taking into account your selected Anticipated Bonus Rate (ABR). It'll also tell you if you have the option to change your ABR or switch to a Prudential Guaranteed Pension Annuity. Please see your statement for more information.

**The Regular Bonus for all our With-Profits Pension Annuity plans has increased to 1.75%.**

Date Annuity Started	Additional Bonuses %
1991/92	327
1992/93	364
1993/94	241
1994/95	278
1995/96	246
1996/97	236
1997/98	198
1998/99	185
1999/00	178
2000/01	152
2001/02	169
2002/03	212
2003/04	213
2004/05	177
2005/06	146
2006/07	116
2007/08	110
2008/09	142
2009/10	185

Source: Prudential.

**We can't predict the future. Past performance isn't a guide to future performance.** The rate of future bonuses can't be guaranteed. Additional Bonuses can be changed and are not guaranteed until becoming payable at your next plan anniversary. However, once in payment this will continue to apply until your next plan anniversary. The income payable can go up or down on your plan anniversary.

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## What are the different types of bonus?

### Regular Bonuses

Regular Bonus is added to your Plan annually. We don't guarantee that a Regular Bonus will be added each year, but once added it can't be removed.

When we decide Regular Bonus rates, the main thing we consider is the return we expect our investments to earn in the future. We hold back some of this return with the aim of paying a proportion of the proceeds as Additional Bonuses. By doing this we aim to keep the cost of the guaranteed benefit at a sustainable level, in order to maintain investment flexibility and to protect the financial strength of our With-Profits Fund.

### Additional Bonuses

You might get an Additional Bonus, which is applied at your next Plan anniversary falling on or after 6 April 2024. Any Additional Bonus is only payable for the 12 months following your Plan anniversary.

If the investment return has been low over the lifetime of your Plan, we might not pay an Additional Bonus.

Additional Bonus may be reduced or removed and isn't guaranteed.

If you'd like to know more please read the Customer Friendly Principles and Practices of Financial Management (CFPPFM) relevant to your Plan. You can also read our Asset Mix and Investment Returns documents as they may be useful to you.

All are available on [pru.co.uk/ppfm](https://pru.co.uk/ppfm)