

Short Fund Guide

Flexible Investment Plan

Introduction to this guide

This short fund guide gives you a list of funds you can choose from, an indication of the risk and potential reward of each fund and information on fund charges and further costs. We suggest that you also read the full fund guide which you can get from your financial adviser. The full fund guide provides more information on the funds available, including the objective of each fund and its risk profile. You can also visit pru.co.uk/funds to view this information.

If there's information or terminology included that you'd like to discuss, then please contact your financial adviser. If you don't already have a financial adviser, you can visit unbiased.co.uk to search for an independent financial adviser in your area.

We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

All our literature is available in audio, large print or braille versions. If you'd like one of these please contact us on 0345 640 1000 and we'll send these out to you.

Risk and Potential Reward Indicator

Investing is about balancing the risk you're comfortable with alongside the potential rewards that you want to achieve. Your attitude to investment risk is personal to you and may change in the future.

The table opposite can help illustrate this idea. It's not exhaustive but covers a wide range of funds and investments and shows the general principle that, as the level for potential higher returns goes up so does the level of risk. On pages 7 to 10 you can see how these risk and potential reward indicator numbers relate to our funds.

Some key things to think about:

- The value of your investment can go down as well as up so you might get back less than you put in.
- We've developed these risk rating categories to help provide an indication of the level of risk and potential reward that's attributable to a fund based on the type of assets which may be held within the fund.
- These risk rating categories shouldn't be considered generic to the fund management industry as other companies use different descriptions.
- We regularly review these risk rating categories and so they might change in the future.
- Where a risk rating is amended as a result of a material change in our view of the level of risk for the fund, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we'll provide information on the new risk rating.
- Please remember that the name of a fund isn't indicative of the risk that it may take.
- We strongly recommend that before making any fund choice you understand the appropriate risk ratings. You'll find this information and more in this fund guide at pru.co.uk/funds

For further details of material fund changes please visit pru.co.uk/funds/changes

Information is normally shown for one year.

You should also think about discussing your decision with your financial adviser. It's important to also note that your financial adviser might make their own assessment of the risk rating of funds when thinking of your needs and objectives, and this may differ from our own internal assessment.

The information included in this guide is correct as at 22 January 2024, unless another date is shown.

Risk and Potential Reward Indicator

Types of Fund*		
6	Higher	Single Country Equity Funds, International Equity Funds
5		Flexible Investment Funds, Global Property Funds
4	Potential Rewards	Mixed Investment 40-85% Shares Funds, Direct Property Funds, Global High Yield Funds
3		Mixed Investment 20-60% Shares Funds, Distribution Managed Funds, Sterling High Yield Funds, Global Fixed Interest Funds, With-Profits Funds**
2		Mixed Investment 0-35% Shares Funds, Sterling Fixed Interest Funds, Corporate Bond Funds, Protected/Guaranteed Funds
1	Lower	Deposit & Treasury Funds, Money Market Funds
		Higher Risks Lower

You can see a glossary of some investment terms at pru.co.uk/glossary

* These are mostly based on sector classifications by the Association of British Insurers (ABI). The description used may match an individual ABI sector name or be a Prudential suggested description for a grouping of similar sectors. The only exception to this is "With-Profits" which isn't classified by the ABI. Where a fund is classified by the ABI then we'll use the sector it's in as a starting point to consider its appropriate position in the scale above. But each fund is considered individually and membership of an ABI sector doesn't automatically imply a particular risk and potential reward indicator number.

** PruFund funds invest in our With-Profits Fund and some appear in a lower or higher risk and potential reward indicator category. This is because of the different asset mix that applies to each PruFund fund. Please refer to the specific PruFund risk and potential reward indicator on pages 7 and 8. Our full fund guide provides further information on these funds.

Fund information

Important explanations

The Fund Value

The value of your investment can go down as well as up so you might get back less than you put in.

For investments in the With-Profits Fund, the value of the plan depends on how much profit the fund makes and how we decide to distribute it. If you're unsure how the With-Profits Fund works, please speak to a financial adviser.

For the PruFund range of funds what you receive will depend upon:

- the value of the underlying investments.
- the Expected Growth Rates set by the Prudential Directors having regard to the investment returns expected to be earned on the assets of the funds over the long-term (up to 15 years).
- the smoothing process.
- our charges.
- whether you have chosen a Protected fund.
- and when you take your money out.

The guarantee, if applicable, is applied to your Plan on the guarantee date. Please speak to your financial adviser or visit pru.co.uk/investments/investment-fund-range/prufund/ for more information on PruFund and how it works, including an explanation of Expected Growth Rates.

Please note that if you invested in a Flexible Investment Plan prior to 24th April 2005 you don't have the option to switch in to the PruFund range of funds shown on the table overleaf.

How unit-linked funds invest

Some of the Prudential funds listed in this guide may invest in 'underlying' funds or other investment vehicles. Have a look at a fund's objective and that will tell you where it invests – including if that's in an underlying fund or funds.

If the Prudential fund is investing in just one underlying fund then it's what's known as a 'mirror' fund, as the performance of the Prudential fund broadly aims to reflect the performance of the underlying fund it invests in. The performance of our Prudential fund, compared to what it's invested in won't be exactly the same. The differences between the underlying fund and our fund can be due to:

- additional charges,
- cash management (needed to help people to enter and leave our fund when they want),
- tax,
- timing of investments (this is known as a fund's dealing cycle, it varies between managers and can be several days).

Fund Charges and Further Costs

Annual Management Charge

We take a base Annual Management Charge (AMC) for looking after your investment, from each of the funds you invest in. By 'base' we mean the AMC that's applicable before any discounts might apply. Your Key Features Document will provide further information. Any Further Costs shown are expenses which are borne by the fund. Together they add up to the Yearly Total. These are shown on pages 7 to 10. We might change our charges in future.

In general the AMC is taken by the deduction each day of 1/365th of the applicable Annual Management Charge, from the relevant unit linked fund (Unit linked funds are divided into units and the investors hold a number of units representing the money they have invested).

This differs slightly for With-Profits and PruFund.

For With-Profits the annual charge applied will depend on the returns we achieve on our With Profits Fund. For example, we'd expect the annual charge quoted on page 8, if the fund returns are 4.5% a year after tax.

Charges on With-Profits business depend on the performance of the With-Profits Fund and, in particular, the investment returns achieved and expenses incurred. Over time, if investment returns are higher, then the charges would be expected to be higher, and if investment returns are lower, the charges would be expected to be lower.

There's an additional charge to pay for the guarantees the With-Profits Fund supports. The annual charge, further

costs and charges to cover the cost of guarantees, are already taken into account when we calculate the bonus rates for our With-Profits Fund. For further details of the charges for this fund, please refer to the Key Features Document or speak to your financial adviser.

The AMC for the PruFund funds is taken by the monthly cancellation of units from each investment.

The Protected PruFund funds are currently unavailable to new investments. If you select a Protected PruFund Fund, you would have selected from a range (where available) of guarantee terms, where the guarantee will only apply at the end of the selected guarantee term. Each guarantee term, where available, has its own additional charge and this will be payable for the whole of this term.

Further Costs

In addition to our annual charges, there may be further costs incurred. Where these are applicable, they're paid for by the fund and will impact on the overall performance. Some examples of what these further costs might include are shown below. These aren't listed in order of importance, they won't necessarily apply to all funds, and this isn't an exhaustive list.

Name	What this means	Where applicable, are they included in the further costs figures we show in this fund guide and/or illustration?
Miscellaneous fund administration fees and costs	There can be a number of different administration fees and costs associated with funds. These can include, for example, audit fees, custody fees, infrastructure costs, registrar fees, regulatory fees, stock lending fees, and trustee fees.	Yes.
Performance fees	In some funds the fund managers are paid a fee depending on how they perform.	No, but if they're applicable they will impact on the performance of a fund.
Property expenses	For funds that invest in property, either directly (i.e. the fund owning physical property) or indirectly (i.e. owning units in a property fund or shares in a property company) there are costs incurred for managing these properties. These can include costs for development, maintenance, oversight and renovation of the properties held, collecting rents, and managing tenants, as well as running costs that cannot be passed onto tenants.	Yes.
Transaction costs	When a fund manager trades the investments in a fund (for example, makes a decision to sell one holding and buy another) there are associated costs, for example taxes.	No, but if they're applicable they will impact on the performance of a fund.

Further costs might be incurred by a Prudential fund or, where it's applicable, any fund our fund invests in.

Compensation

The products Prudential Assurance Company Limited (PACL) offer are covered by the Financial Services Compensation Scheme (FSCS). If we get into financial difficulties, you may be able to make a claim. The FSCS is an independent body set up by Government to provide compensation for people where their authorised financial services provider gets into financial difficulties and becomes unable, or unlikely to be able, to pay claims against it. This circumstance is referred to as being 'in default'.

Losses, which may result from poor investment performance, are not covered by the FSCS.

Where does FSCS protection apply?

There is full FSCS coverage if PACL is 'in default'.

- Your bond is protected up to 100% of the value of your claim.
- Any funds you choose to hold in your bond will be included in the value of your claim in the event that PACL is declared 'in default'.
- If you hold the Prudential With-Profits funds or PruFund funds in your bond, they are protected 100% in the event of the default of PACL.

All the other funds we offer, apart from those mentioned above, are unit-linked, and invest in other funds managed by non-PACL fund managers. FSCS cover does not apply if the non-PACL fund manager were to be 'in default'.

- There is no FSCS cover for unit-linked funds investing with non-PACL fund managers if that manager were to be 'in default'.
- See 'How unit-linked funds invest' for further information on these types of fund (often called 'mirror' funds).

You can find out more information on the FSCS at pru.co.uk/fscs, or you can call us.

Information is also available from the Financial Services Compensation Scheme.

Visit their website: fscs.org.uk

Or write to: The Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY

Or call the FSCS: Telephone: 0800 678 1100

Where FSCS coverage does not apply, then other factors can come in

As explained in the 'Where does FSCS protection apply?' section, the FSCS doesn't cover every situation. For example unit-linked funds that invest in the funds of non-PACL fund managers (often called 'mirror' funds).

But, where FSCS protection does not apply, there are other factors that could help if the worst happened and a provider was 'in default'. For example, the use of custodians or depositories to provide protection for fund assets, where there is separate legal ownership of assets and legal entities that aren't liable for any losses of a fund manager. In so doing, the intention is that the underlying fund will not be liable for any losses the underlying fund management company incurs.

PACL would aim to recover any money invested in an underlying fund where the fund manager has been declared 'in default', but PACL would not be liable for any loss incurred from the default of the non-PACL fund manager.

Further Information

Your illustration will show the fund charges and further costs applicable to your chosen fund(s).

Fund charges and further costs may vary in future and they may be higher than they are now. We'll write to you if an AMC goes up for a fund you are invested in, unless the change in the AMC we quote is part of the expected function of that fund (for example our With-Profits Fund – see your Key Features Document for more information). As it's normal for further costs to vary over time we won't contact you when they change. If fund charges and further costs exceed the return earned, the fund will go down in value.

If you have any questions about this product, your fund choice or the fund charges and further costs applicable then we recommend you speak to your financial adviser.

The further costs listed in this guide are indicative, based on the current levels of costs, and are correct as at 22 January 2024, unless another date is shown.

The Prudential funds in this guide may hold an element of cash due to the short delay between new investments being received by the Prudential fund and being placed in the underlying investment(s), and this may have an impact on the performance of the Prudential fund when compared to the underlying investment(s).

You can find details of how we manage our unit-linked funds at pru.co.uk/ppfm/ul. You'll also find there a shortened customer friendly version, our "Customer Guide", which explains briefly how the Prudential unit-linked funds work and our current approach to managing them. It explains the standards and practices we use to manage the funds. Principally the guide will explain:

- the nature and extent of the decisions we take to manage the funds, and
- how we treat customers and shareholders fairly.

Funds	Risk and Potential Reward Indicator	Fund Charges and Further Costs					
		Initial Charge Option			No Initial Charge Option		
		Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)	Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)
Prudential Risk Managed PruFund Funds							
Prudential PruFund Risk Managed 1*	2	1.41	0.18	1.59	1.71	0.18	1.89
Prudential PruFund Risk Managed 2*	3	1.41	0.19	1.60	1.71	0.19	1.90
Prudential PruFund Risk Managed 3*	3	1.41	0.21	1.62	1.71	0.21	1.92
Prudential PruFund Risk Managed 4*	4	1.41	0.22	1.63	1.71	0.22	1.93
Prudential Risk Managed Passive Funds							
Prudential Risk Managed Passive 1	2	1.33	0.04	1.37	1.63	0.04	1.67
Prudential Risk Managed Passive 3	3	1.33	0.06	1.39	1.63	0.06	1.69
Prudential Risk Managed Active Funds							
Prudential Risk Managed Active 1	2	1.59	0.09	1.68	1.89	0.09	1.98
Prudential Risk Managed Active 2	3	1.59	0.10	1.69	1.89	0.10	1.99
Prudential Risk Managed Active 3	3	1.59	0.11	1.70	1.89	0.11	2.00
Prudential Risk Managed Active 4	4	1.59	0.13	1.72	1.89	0.13	2.02
Prudential Risk Managed Active 5	5	1.59	0.14	1.73	1.89	0.14	2.03

PruFund funds are only available to plans taken out after April 2005.

* The Annual Management Charge for these funds is taken by monthly cancellation of units from each investment.

Funds	Risk and Potential Reward Indicator	Fund Charges and Further Costs					
		Initial Charge Option			No Initial Charge Option		
		Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)	Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)
Other Prudential Multi-Asset Funds							
Prudential PruFund Cautious*	2	1.38	0.22	1.60	1.68	0.22	1.90
Prudential PruFund Growth*	3	1.41	0.25	1.66	1.71	0.25	1.96
Prudential PruFund Protected Cautious*+	2	1.38	0.22	1.60	1.68	0.22	1.90
Prudential PruFund Protected Growth*+	3	1.41	0.25	1.66	1.71	0.25	1.96
Prudential With-Profits (Optimum Bonus)	3	1.31	0.24	1.55	1.61	0.24	1.85
Prudential With-Profits (Optimum Return)	3	1.31	0.25	1.56	1.61	0.25	1.86
Additional Fund Choice							
Prudential Artemis SmartGARP European Equity	6	1.85	0.15	2.00	2.15	0.15	2.30
Prudential Artemis Strategic Bond	3	1.60	0.11	1.71	1.90	0.11	2.01
Prudential Artemis UK Smaller Companies	6	1.85	0.13	1.98	2.15	0.13	2.28
Prudential Asia Pacific	6	1.25	0.08	1.33	1.55	0.08	1.63
Prudential Baillie Gifford American	6	1.60	0.04	1.64	1.90	0.04	1.94
Prudential Baillie Gifford High Yield Bond	3	1.60	0.04	1.64	1.90	0.04	1.94
Prudential BlackRock Gold & General	6	1.85	0.21	2.06	2.15	0.21	2.36
Prudential BlackRock UK	6	1.70	0.18	1.88	2.00	0.18	2.18
Prudential BlackRock UK Special Situations	6	1.75	0.19	1.94	2.05	0.19	2.24
Prudential Cash~	1	1.00	0.00	1.00	1.00	0.00	1.00
Prudential European Equity	6	1.25	0.08	1.33	1.55	0.08	1.63
Prudential Fidelity Asia	6	2.00	0.20	2.20	2.30	0.20	2.50
Prudential Fidelity European	6	2.00	0.18	2.18	2.30	0.18	2.48
Prudential Global Emerging Markets Portfolio	6	1.90	0.12	2.02	2.20	0.12	2.32
Prudential International	6	1.25	0.08	1.33	1.55	0.08	1.63

* The Annual Management Charge for these funds is taken by monthly cancellation of units from each investment.

+ Currently unavailable to new investments.

~ Investments in a cash fund could be affected by inflation and/or charges. Inflation could mean your money is less able to buy what it could before and charges will reduce the value of a cash fund over time.

Funds	Risk and Potential Reward Indicator	Fund Charges and Further Costs					
		Initial Charge Option			No Initial Charge Option		
		Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)	Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)
Prudential Invesco Managed Growth	5	1.60	0.33	1.93	1.90	0.33	2.23
Prudential Janus Henderson China Opportunities [#]	6	1.85	0.26	2.11	2.15	0.26	2.41
Prudential Japanese	6	1.25	0.04	1.29	1.55	0.04	1.59
Prudential JP Morgan Natural Resources	6	1.85	0.10	1.95	2.15	0.10	2.25
Prudential L&G UK Property	4	1.75	0.58	2.33	2.05	0.58	2.63
Prudential M&G Corporate Bond	2	1.30	0.01	1.31	1.60	0.01	1.61
Prudential M&G Dividend	6	1.35	0.01	1.36	1.65	0.01	1.66
Prudential M&G Episode Allocation	3	1.45	0.01	1.46	1.75	0.01	1.76
Prudential M&G Episode Growth	4	1.45	0.01	1.46	1.75	0.01	1.76
Prudential M&G Gilt & Fixed Interest Income	4	1.25	0.01	1.26	1.55	0.01	1.56
Prudential M&G Global High Yield Bond	3	1.50	0.01	1.51	1.80	0.01	1.81
Prudential M&G Global Themes	6	1.50	0.01	1.51	1.80	0.01	1.81
Prudential M&G Managed Growth	6	1.45	0.01	1.46	1.75	0.01	1.76
Prudential M&G Optimal Income	3	1.65	0.02	1.67	1.95	0.02	1.97
Prudential M&G Property Portfolio ^{**}	4	1.25	2.16	3.41	1.55	2.16	3.71
Prudential M&G Recovery [*]	6	1.50	0.01	1.51	1.80	0.01	1.81
Prudential M&G Smaller Companies	6	1.25	0.01	1.26	1.55	0.01	1.56
Prudential M&G Strategic Corporate Bond	2	1.45	0.01	1.46	1.75	0.01	1.76
Prudential M&G UK Sustain Paris Aligned	6	1.50	0.01	1.51	1.80	0.01	1.81
Prudential Managed	4	1.25	0.21	1.46	1.55	0.21	1.76
Prudential Ninety One Global Strategic Equity	6	1.85	0.12	1.97	2.15	0.12	2.27
Prudential North America Equity [^]	6	1.25	0.04	1.29	1.55	0.04	1.59
Prudential Royal London Sustainable Leaders	6	1.50	0.02	1.52	1.80	0.02	1.82

* This fund is scheduled for closure in February 2024 and you may wish to take this into account if choosing to invest in it for the longer term. Existing investors will be contacted directly prior to the point of closure.

** This fund is currently suspended.

This fund is scheduled for closure in April 2024 and you may wish to take this into account if choosing to invest in it for the longer term. Existing investors will be contacted directly prior to the point of closure.

^ Previously known as Prudential US Equity.

Funds	Risk and Potential Reward Indicator	Fund Charges and Further Costs					
		Initial Charge Option			No Initial Charge Option		
		Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)	Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)
Prudential Schroder Income	6	1.80	0.15	1.95	2.10	0.15	2.25
Prudential Schroder Tokyo	6	1.80	0.11	1.91	2.10	0.11	2.21
Prudential UK Equity	6	1.25	0.09	1.34	1.55	0.09	1.64
Prudential UK Equity and Bond	3	1.25	0.07	1.32	1.55	0.07	1.62
Prudential UK Tracker	6	1.25	0.01	1.26	1.55	0.01	1.56
Distribution Income Funds							
Prudential 0-35% Equity Managed Distribution	3	1.10	0.26	1.36	1.40	0.26	1.66
Prudential Managed Distribution	3	1.10	0.29	1.39	1.40	0.29	1.69

Further information

For more information on a particular fund speak to your financial adviser or go to pru.co.uk/funds

