

Addendum

Principles and Practices of Financial Management – current information

1. With-Profits Sub-Fund (UK)

a) Asset mix

	31.12.2023 (%)	31.12.2022 (%)	31.12.2021 (%)	31.12.2020 (%)	31.12.2019 (%)
UK Equities	11.8	16.0	18.8	19.6	17.8
Overseas Equities	26.9	29.8	29.4	30.1	29.1
Property	13.4	14.1	13.9	13.2	13.7
Alternative Assets	12.5	12.1	10.3	7.1	9.1
Fixed Interest	30.4	22.7	22.5	24.7	28.5
Cash & Receivables	5.0	5.3	5.1	5.3	1.8
Total	100.0	100.0	100.0	100.0	100.0

The “Alternative Assets” category includes non-listed equities, investments in specialist vehicles and private assets which give an exposure similar to those of the listed equity markets.

On 1 April 2021, the Scottish Amicable Insurance Fund (SAIF) merged with the Prudential With-Profits Sub-Fund. Therefore, the information at 31 December 2021 within this section, and within section (c) below now also apply to the former SAIF with-profits business. Prior to 31 December 2021 the SAIF with-profits business was excluded.

The information within this section, and within section b) below, shows investments attributable to with-profits business in the UK, but excludes:

- Investments attributable to the with-profits Prudence Bond Optimum Bonus (life with-profits series 3) business, PruFund Cautious and PruFund Protected Cautious Funds and PruFund Investment Plan business written in the Growth & Income Fund. These products have a more cautious investment policy than the main with-profits fund.
- Investments attributable to the Risk Managed PruFund Funds, which have their own specific investment policies.
- The non-sterling denominated business in the Defined Charge Participating Sub-Fund (DCPSF) written by Prudential International Assurance (PIA).
- We regularly review asset allocations and they may vary from time to time, but they'll always be consistent with the Fund's objectives.

b) Investment returns

	31.12.2023 (%)	31.12.2022 (%)	31.12.2021 (%)	31.12.2020 (%)	31.12.2019 (%)
Gross return	4.3	-1.5	12.0	1.7	11.5
Net return	3.6	-1.1	10.1	1.5	9.6

These figures are based on annual performance. These returns are gross of tax (where applicable), charges and the effects of smoothing (for more information on smoothing, please refer to Your With-Profits Plan – A guide to how we manage the Fund).

Past performance isn't a reliable indicator of future performance.

The returns for former SAIF policyholders at 31.12.2021 are 10.9% gross and 9.2% net because the SAIF merged with the Prudential With-Profits Sub-Fund on 1 April 2021. Until that point, the SAIF assets were held separately.

2. Scottish Amicable Insurance Fund (SAIF)

a) Asset mix

On 1 April 2021, the Scottish Amicable Insurance Fund merged with Prudential's With-Profits Sub-Fund. The information below therefore shows asset mix, investment returns and fund size to 31 December 2020. You can find asset mix information for the With-Profits Sub-Fund on the previous page.

	31.12.2020 (%)	31.12.2019 (%)	31.12.2018 (%)	31.12.2017 (%)
UK Equities	18.8	15.6	14.3	17.0
Overseas Equities	27.0	28.1	26.2	32.9
Property	14.7	13.7	14.5	11.5
Alternative Assets	4.1	7.3	7.1	4.5
Fixed Interest	29.5	33.7	36.0	32.4
Cash & Receivables	5.9	1.6	1.9	1.7
Total	100.0	100.0	100.0	100.0

The "Alternative Assets" category includes non-listed equities, investments in specialist vehicles and private assets which give an exposure similar to those of the listed equity markets.

We regularly review asset allocations and they may vary from time to time, but they'll always be consistent with the Fund's objectives.

These returns are gross of tax (where applicable), charges and the effects of smoothing (for more information on smoothing, please refer to Your With-Profits Plan – A guide to how we manage the Fund).

Past performance isn't a reliable indicator of future performance.

b) Investment returns

	31.12.2020 (%)	31.12.2019 (%)	31.12.2018 (%)	31.12.2017 (%)
Gross return	2.0	11.7	-2.8	10.3
Net return	1.7	9.7	-2.3	9.0

These figures are based on annual performance.

These returns are gross of tax (where applicable), charges and the effects of smoothing (for more information on smoothing, please refer to Your With-Profits Plan – A guide to how we manage the Fund).

Past performance isn't a reliable indicator of future performance.

c) Fund size (this shows the total level of assets backing the with-profits business in the Fund).

31.12.2020 (£bn)	31.12.2019 (£bn)	31.12.2018 (£bn)	31.12.2017 (£bn)
4.0	4.3	4.4	5.3