

Retail Fund Closures

20 August 2021

We regularly review the funds we offer, and we've decided to close the following Series A Pension Funds on 20 August 2021.

- Prudential Aegon Investment Grade Bond
- Prudential Aegon Strategic Bond
- Prudential BNY Mellon Global Income
- Prudential Invesco UK Equity High Income
- Prudential Janus Henderson Cautious Managed
- Prudential Janus Henderson European Selected Opportunities

Closing a fund is not an option we take lightly. We'll close funds, when our confidence in how consistent returns will be produced in the future has significantly reduced.

When we close a fund, we offer our selected replacement fund. We aim to keep the ongoing charges the same or lower, in this case the replacement fund charges are lower.

Closing fund	Replacement fund												
Prudential Aegon Investment Grade Bond	Prudential M&G Corporate Bond												
<p>Objective: The investment strategy of the fund is to purchase units in the Aegon Investment Grade Bond Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to maximise total return (income plus capital) by investing primarily in investment grade and government bonds denominated in sterling and other currencies. The fund may hold a maximum of 20% in high yield bonds and also hold cash. A minimum of 80% of the fund will be hedged back to sterling. The fund may also invest in deposits, money market instruments, derivative instruments and forward transactions.</p>	<p>Objective: The investment strategy of the fund is to purchase units in the M&G Corporate Bond Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to provide a higher total return (the combination of capital growth and income), net of the Ongoing Charge Figure, than the average return of the IA £ Corporate Bond Sector over any five-year period. At least 70% of the fund is invested, directly or indirectly through derivatives, in investment grade corporate debt securities. These securities can be issued by companies from anywhere in the world, including Emerging Markets. These securities are denominated in sterling or hedged back to sterling.</p>												
<p>Prudential potential reward and risk indicator</p> <p>2</p>	<p>Prudential potential reward and risk indicator</p> <p>2</p>												
<p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p>													
<p>Fund costs and charges</p> <table border="0"> <tr> <td>AMC:</td> <td>1.70 %</td> </tr> <tr> <td>Further Costs:</td> <td>0.00%</td> </tr> <tr> <td>Yearly Total Charge:</td> <td>1.70%</td> </tr> </table>	AMC:	1.70 %	Further Costs:	0.00%	Yearly Total Charge:	1.70%	<p>Fund costs and charges</p> <table border="0"> <tr> <td>AMC:</td> <td>1.00%</td> </tr> <tr> <td>Further Costs:</td> <td>0.00%</td> </tr> <tr> <td>Yearly Total Charge:</td> <td>1.00%</td> </tr> </table>	AMC:	1.00%	Further Costs:	0.00%	Yearly Total Charge:	1.00%
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<p>Possible transaction costs</p> <p>Your investment return may be reduced by possible one-off transaction costs. We've estimated the effect to be approximately 0.73% or £7.30 for every £1,000 invested in the closing fund.</p>													

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We take an AMC (annual management charge) from each of the funds you invest in. Some funds also have Further Costs. Any charges will impact the overall performance of the fund. Charges may vary in future and may be higher than they are now. Fund costs and charges above are correct as at 28 May 2021.

Closing fund	Replacement fund
Prudential Aegon Strategic Bond	Prudential M&G Optimal Income
<p>Objective: The investment strategy of the fund is to purchase units in the Aegon Strategic Bond Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to maximise total return (income plus capital) by investing in fixed interest securities, in any currency, ranging from AAA rated government bonds through to high yield and emerging market corporate bonds. At least 80% of the fund will be invested in sterling and other currency denominated bonds hedged back to sterling. The fund may also invest in deposits, money market instruments, derivative instruments and forward transactions.</p>	<p>Objective: The investment strategy of the fund is to purchase units in the M&G Optimal Income Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to provide higher total return (the combination of capital growth and income), net of the Ongoing Charge Figure, than the average return of the IA £ Strategic Bond Sector, over any five-year period. At least 50% of the fund is invested, directly or indirectly through derivatives, in debt securities, including investment grade bonds, below investment grade, unrated securities and Asset Backed Securities. These securities can be issued or guaranteed by governments and their agencies, public authorities, quasi-sovereigns, supranatural bodies and companies from anywhere in the world, including Emerging Markets.</p>
Prudential potential reward and risk indicator 3	Prudential potential reward and risk indicator 3
<p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p>	
Fund costs and charges AMC: 1.70% Further Costs: 0.00% Yearly Total Charge: 1.70%	Fund costs and charges AMC: 1.40% Further Costs: 0.00% Yearly Total Charge: 1.40%
Possible transaction costs <p>Your investment return may be reduced by possible one-off transaction costs. We've estimated the effect to be approximately 0.68% or £6.80 for every £1,000 invested in the closing fund.</p>	

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Closing fund	Replacement fund												
Prudential BNY Mellon Global Income	Prudential International												
<p>Objective: The investment strategy of the fund is to purchase units in the BNY Mellon Global Income Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to generate distributions over an annual period together with long-term capital growth from investing predominantly in global securities. The Sub-fund may also invest in collective investment schemes (including but not limited to another Sub-fund or Sub-funds of the Company. Derivatives may be used for efficient portfolio management only.</p>	<p>Objective: The investment strategy of the fund is to provide medium to long term growth (5 to 10 years or more) by investing mainly in a spread of equity markets throughout the world, predominantly through collective investment schemes.</p>												
Prudential potential reward and risk indicator 6	Prudential potential reward and risk indicator 6												
<p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p>													
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<p>Possible transaction costs</p> <p>Your investment return may be reduced by possible one-off transaction costs. We've estimated the effect to be approximately 0.32% or £3.20 for every £1,000 for every £1,000 invested in the closing fund.</p>													

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Closing fund	Replacement fund												
Prudential Invesco UK Equity High Income	Prudential UK Equity												
<p>Objective: The investment strategy of the fund is to purchase units in the Invesco UK Equity High Income Fund (UK) – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve a high level of income together with capital growth over the long-term (5 years plus).</p>	<p>Objective: The investment strategy of the fund is to purchase shares in UK companies via other M&G funds. It is a “fund of funds” holding units in several more specialised UK equity funds to give access to a variety of methods for generating investment returns in differing market conditions.</p>												
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<p>Possible transaction costs</p> <p>Your investment return may be reduced by possible one-off transaction costs. We've estimated the effect to be approximately 0.88% or £8.80 for every £1,000 invested in the closing fund.</p>													

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Closing fund	Replacement fund
Prudential Janus Henderson Cautious Managed	Prudential Risk Managed Active 3
<p>Objective: The investment strategy of the fund is to purchase units in the Janus Henderson Cautious Managed Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to provide a return, from a combination of income and capital growth over the long term. To outperform the 50% FTSE All Share + 50% ICE Bank of America ML 5-15 Year sterling Non Gilt Index by 1.5% per annum, before the deduction of charges, over any 5 year period.</p> <p>The fund invests in shares (also known as equities) and bonds of governments, companies or any other type of issuer, in any country. At all times the investment in equities will be limited to a maximum of 60% of the value of the fund's portfolio and the fund will normally have a strong bias towards UK companies and bonds. Companies and bond issuers may be of any size, in any industry. .</p>	<p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 3 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 12%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 12%. Capital invested is at risk.</p>
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Prudential Janus Henderson European Selected Opportunities	Prudential European																
<p>Objective: The investment strategy of the fund is to purchase units in the Janus Henderson European Selected Opportunities Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to provide a return, from a combination of capital growth and income over the long term (5 years or more).</p> <p>The fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, in Europe (excluding UK). Companies will be incorporated, headquartered, listed on an exchange in, or deriving significant revenue from, this region.</p>	<p>The investment strategy of the fund is to purchase shares in European (excluding UK) companies via other M&G funds. It is a “fund of funds” holding units in several more specialised European equity funds to give access to a variety of methods for generating investment returns in differing market conditions.</p>																
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