

PruFund Cautious Life Fund

This document is for use by individuals who are familiar with investment terminology. If there is product information included that you would like to discuss, then please contact your financial adviser.

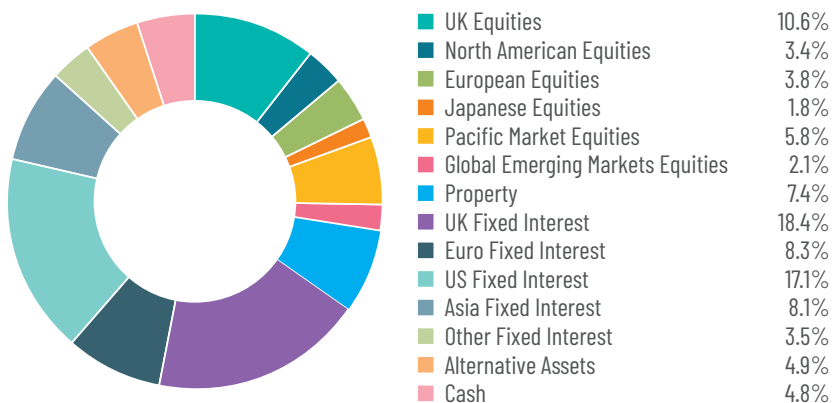
The PruFund range of funds aim to grow investors money over the medium to long term (5 to 10 years or more) while protecting investors' from some of the short-term ups and downs of direct stockmarket investments by using an established smoothing process.

The PruFund Cautious Life Fund invests in the Prudential With-Profits Fund. Please refer to "Your With-Profits Plan – A guide to how we manage the Fund" (PruFund range of funds), reference WPG0031, for more information on how the fund works. For more information on our products, refer to your product Key Features document, available from your financial adviser.

Fund aim

Objective: The fund aims for steady and consistent growth over the medium to long term (5 to 10 years or more) through a cautious approach to investing. The fund invests in UK and international equities, property, fixed interest securities, index-linked securities, cash and other specialist investments. The fund will aim to invest 50-75% in fixed interest securities, index-linked securities and cash, although we may occasionally move outside this range to meet the fund objectives.

Asset allocation



Source: Prudential as at 31 December 2020. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

Fund manager commentary – Q4 2020

Global GDP growth appeared to normalise somewhat after most major economies posted record growth rates in the third quarter as economic activity rebounded from the lockdown conditions seen earlier in the year. However, a resurgence of COVID-19 cases (particularly in the US and Europe) worsened as autumn and winter took hold, forcing restrictions on consumers and businesses to be re-imposed and causing a slowdown in the global economic recovery.

The UK equity market produced its best quarter of the year as it staged a recovery from oversold levels. The catalyst for the rebound were the announcements of positive news on COVID-19 vaccines, followed by regulatory approval in the UK for two of them in December. UK sentiment also received a boost from the finalising of the EU trade deal on Christmas Eve. US stockmarkets finished the year at record highs. Overall, stockmarkets in Europe, Japan, Emerging Markets & Asia Pacific ex Japan saw healthy gains in the fourth quarter. Traditional safe-haven assets such as government bonds underperformed other asset classes over the fourth quarter.

UK Commercial property delivered positive returns as rental income offset moderate capital declines. The surge in online retailing has intensified the contrasting fortunes of industrials and retail. Industrials (which includes distribution centres) were the standout performer, achieving both rental growth and further yield tightening.

The M&G Treasury & Investment Office (T&IO) outlook is cautiously optimistic although much uncertainty remains in 2021.

This commentary reflects the general views of individual fund managers and should not be taken as a recommendation or advice as to how any specific market is likely to perform.

PruFund Cautious Life Fund

The PruFund Cautious Life Fund performance figures shown below 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 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.

Fund past performance

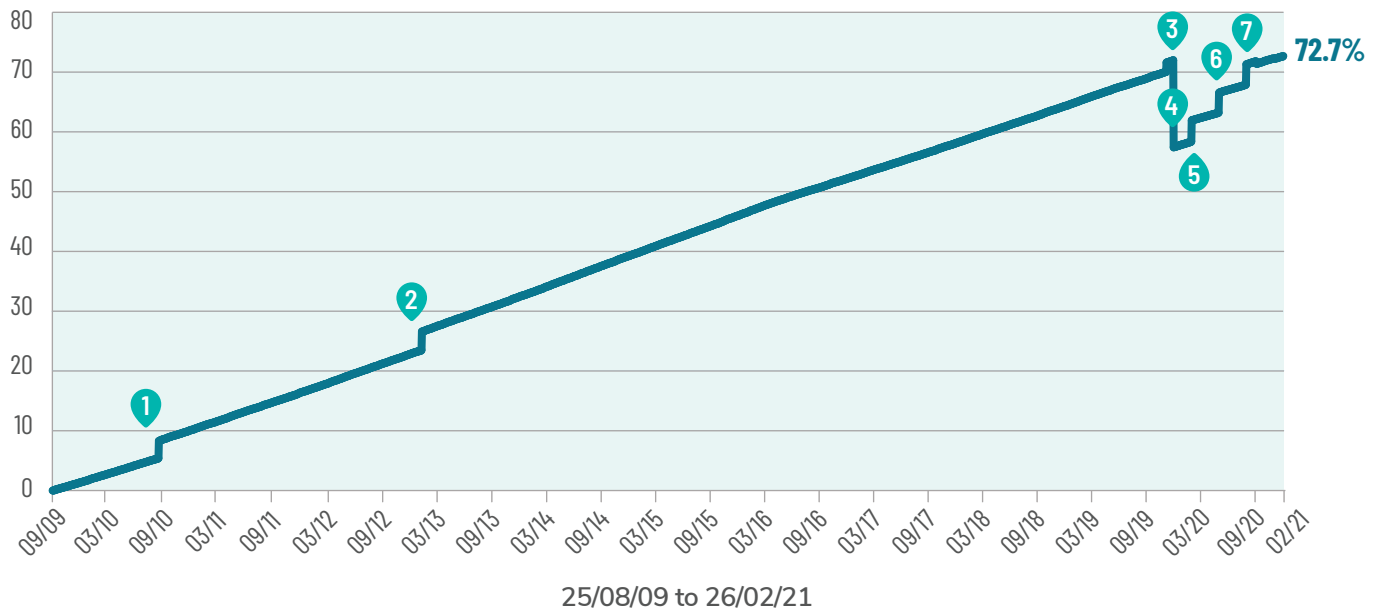
Annual performance of the PruFund Cautious Life Fund in each of the last 5 years.

29/02/2016 to 28/02/2017	28/02/2017 to 28/02/2018	28/02/2018 to 28/02/2019	28/02/2019 to 29/02/2020	29/02/2020 to 28/02/2021
4.1%	3.8%	3.8%	4.6%	0.6%

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

Percentage growth since launch

Prudential PruFund Cautious Life Fund. This graph shows the daily smoothed fund performance in % change from launch to the end of the most recent reporting period. Any significant vertical movements are unit price adjustments (UPAs) and or unit price reset (UPR).



UPA/UPR	1	2	3	4	5	6	7
	2.78%	2.56%	0.90%*	-8.46%	2.22%	2.04%	2.02%
Date	25/08/10	25/02/13	26/02/20	20/03/20	26/05/20	25/08/20	25/11/20

* Special UPA which allows for the additional surplus we've shared. This has no impact on the smoothing process. For further details visit: pru.co.uk/egr

All figures source: Financial Express Analytics, bid to bid, with net income reinvested.

The value of your investment can go down as well as up so you might not get back the amount you put in. For the range of PruFund funds, what you receive will depend on the value of the underlying investments, the Expected Growth Rates (EGR) as set by the Prudential Directors, our charges, the smoothing process, if there is a guarantee, and when you take your money out. For more in depth information on our smoothing process, including Unit Price Adjustments (UPAs) and expected growth rates please visit pru.co.uk/egr/

We may apply a waiting period to specific transactions for the PruFund fund. Please refer to the relevant product Key Features Document for further details.

pru.co.uk

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