

Hello.

First and foremost, I'd like to wish each and every one of you a happy New Year. I hope that you're well – both on a personal level, and in a professional sense too.

Now it's quite an understatement to say that 2020 has been an extremely difficult year for everybody, and the impact COVID 19 has had across all aspects of our lives is, quite simply, unparalleled. But we've also seen great resilience from those around us, and also of course in the world of financial advice. I've learned first-hand from many of you about the changes you've had to make to the way you run your business – both from an operational perspective, as well as from a strategic viewpoint. Continuing to support your clients during the pandemic, especially during the extreme volatility in the markets that we've seen earlier in 2020, as well as achieving growth in your business, has been a real challenge during 2020.

Supporting advisers and offering compelling support and propositions for clients is, and will always be a key focus for us here at the Pru. And over the last 12 months we delivered a number of improvements across our main propositions, including signatureless business capabilities and digital enhancements both to our ISA product and to our Retirement Account. We also launched our brand new International Portfolio Bond and whilst this is currently only available to a few pilot firms, we will be rolling this out in the next few weeks right across all advisers in the UK.

Now of course recently we've just entered into another period of lockdown in the UK – an announcement I'm sure has hit many of us very hard, but I want to reassure you that we will continue to have and provide the full support for you from your team here at Prudential – we're organised and we're ready, and we learned a lot from the first full lockdown last Spring.

Before reflecting back on 2020, I want to take the opportunity to address a few issues around service and our service levels, which I know caused some issues for a number of you in the last year. This is clearly an area where we need to continue to improve. I also want to reassure you that we absolutely do recognise this needs to be improved in certain areas and this is, and will continue to be, a key priority – for the business and for me personally.

Moving on, I'd like to talk about our PruFund range, which, like any investments, were impacted by the significant market volatility in 2020.

But we were able to demonstrate PruFund's smoothing mechanism – downward movements at levels that dampen potential losses for clients, and of course gains when the markets are in a period of recovery. It's important to remember that's exactly what PruFund's designed to do. And if you look back to how the original PruFund growth fund performed back 2008 in the financial crisis, you can see many similarities in how it performed then, both on the downside and also on the upside, and how it has performed more recently. We firmly believe in the strengths of PruFund and the proposition, and remain absolutely convinced that a smoothed fund can continue to offer a compelling alternative for your investors, whatever opportunities and challenges the markets may present in the future.

So, looking ahead, I'm sure we're all hopeful that as the covid vaccine as it continues to be rolled out across the UK, we will then start to see some positive signs of coming back to some sort of normality. And I for one very much expect that as we come out of Covid, the demand for financial advice will continue to go up. Since the pandemic began we've seen more and more clients holding onto cash, and savings levels have absolutely surged. People will also continue to retire and seek financial advice at what is a very critical point in their lives. And in general, habits and attitudes have changed too – with financial security and planning for the future perhaps a little bit higher up on client's agendas since the pandemic began.

Moving on, I'd like to talk briefly about what we've got planned in 2021, and one significant development will be to our fund proposition. As more and more clients start to choose responsible ways of investing, widening our offering in this area of sustainable funds is absolutely crucial for us and I'm pleased to let you know that we will launch some very exciting new funds in the ESG space this year.

In my last video update in July, I told you we were continuing to invest very heavily in our digital transformation programme which will make it easier and more efficient for you to do business with the Pru. The end results will bring huge benefits to you and your firms and your clients and if you want to know more about this work, please get in touch with your Prudential contact and they'll be happy to speak to you and answer any of your questions.

We've also got a number of things coming up in the next three months that I'd like to mention. Over February and March in particular we'll be holding our virtual seminar programme for Q1 – a tailored a programme of events in the

theme overall of 'managing future risk'. We'll also be delivering our response to the Budget on the 3rd of March of course, as well as a range of support to help you with your tax-year end and intergenerational planning. Our online services for Retirement Account and our Digital ISA will continue to improve in the first half of this year and we'll also be running our usual series of CPD webinars.

And finally, our award-winning Technical team will continue to keep you fully briefed and up to speed on regulatory issues and offer responsive commentary whenever they're announced or released.

Hopefully that gives you a little bit of a flavour of our plans for the year ahead, and it's all designed around supporting you, your business and your clients as much as we can.

Before signing off, I'd just like to thank you again for your continued support over the last 12 months – it really, really is appreciated by everyone here at the Pru. We're always happy to hear your views, so please, please, please feel free to pick up the phone and share your thoughts at any time with your usual point of contact.

Thank you once again and I wish you all success and good health for 2021.
Thank you.