

Short Fund Guide

Series A Funds

Series A funds applicable to:
Prudential Premier Plans and Ex-Scottish Amicable
Series A (apart from post 01/2003 TIP Series A) Plans

Introduction

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 2000 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 on the right 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 page 8 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 might 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 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 adviser might make their own assessment of the risk rating of funds when thinking of your needs and objectives, and this may differ from Prudential's own internal assessment.

The information included in this guide is correct as at 30 June 2021, unless another date is shown.

Risk and Potential Reward Indicator

		Types of Fund*			
6	Higher	Single Country Equity Funds, International Equity Funds		Higher	
5		Flexible Investment Funds, Global Property Funds			
4	Potential Rewards	Mixed Investment 40-85% Shares Funds, Direct Property Funds, Global High Yield Funds		Risks	
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		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.

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.

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 an Annual Management Charge (AMC) for looking after your investment, from each of the funds you invest in. Any further costs shown are expenses which are borne by the fund. Together they add up to the Yearly Total (%). These are shown on page 8. We might change our charges in future.

For Premier Pensions the amounts quoted are the basic AMC. The actual AMC rate applicable is determined by the contribution size, and, for workplace pension schemes such as Premier Group Personal Pension, Stakeholder and Executive Pension Plan and plans set up prior to 2 January 2013, the level of commission selected.

For Premier Stakeholder Pensions and Premier Group Stakeholder there's a maximum charge of 1%. This means that some funds may be unavailable for these contracts (depending on contribution size and, where appropriate, the level of commission selected). If an AMC exceeds 1%, the fund will become unavailable. Your illustration will show the charges applicable to your chosen funds.

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.

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 these 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 and other plan documentation.

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.	No, for unit-linked funds*. Yes, for the With-Profits Fund.
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.	No, for unit-linked funds*, unless they're for property investments that are managed by M&G, which are disclosed. Yes, for the With-Profits Fund.
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.

* Currently these are rebated back by Prudential to the fund, so they won't impact the fund performance, and aren't disclosed. We reserve the right to not rebate them in the future.

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

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 changes for a fund you're invested in. 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 30 June 2021, unless another date is shown.

Further Information

You should also bear in mind that the effect of inflation may reduce what you could buy in the future with your fund. If inflation is relatively high it could cancel out returns that you make on your investment.

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.

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 pension is protected up to 100% of the value of your claim.
- Any funds you choose to hold in your pension 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 Fund in your pension, it is protected 100% in the event of the default of PACL.

All the other funds we offer, apart from the one 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.

Funds	Risk and Potential Reward Indicator	Fund Charges and Further Costs		
		Annual Management Charge (%)	Further Costs (%)	Yearly Total (%)
Prudential Artemis SmartGARP European Equity*	6	1.70	0.00	1.70
Prudential AXA Framlington UK Select Opportunities^*	6	1.70	0.00	1.70
Prudential BNY Mellon Global Equity^*	6	1.40	0.00	1.40
Prudential BNY Mellon Multi-Asset Balanced^*	4	1.25	0.00	1.25
Prudential Cash~	1	1.00	0.00	1.00
Prudential European Equity	6	1.00	0.00	1.00
Prudential International	6	1.00	0.00	1.00
Prudential Invesco Corporate Bond^*	2	1.54	0.00	1.54
Prudential Invesco Managed Growth*	5	1.35	0.00	1.35
Prudential Invesco UK Equity Income^*	6	1.35	0.00	1.35
Prudential Janus Henderson European Growth^*	6	1.90	0.00	1.90
Prudential Japanese	6	1.00	0.00	1.00
Prudential M&G Corporate Bond	2	1.00	0.00	1.00
Prudential M&G Dividend	6	1.00	0.00	1.00
Prudential M&G Episode Growth	4	1.00	0.00	1.00
Prudential M&G Gilt & Fixed Interest Income	4	1.00	0.00	1.00
Prudential M&G Global High Yield Bond*	3	1.25	0.00	1.25
Prudential M&G Global Themes*	6	1.45	0.00	1.45
Prudential M&G Index Tracker	6	0.90	0.00	0.90
Prudential M&G Managed Growth*	6	1.15	0.00	1.15
Prudential M&G Property Portfolio	4	1.00	0.63	1.63
Prudential M&G Recovery*	6	1.45	0.00	1.45
Prudential M&G Smaller Companies	6	1.00	0.00	1.00
Prudential M&G Strategic Corporate Bond*	2	1.40	0.00	1.40
Prudential M&G UK Select*	6	1.45	0.00	1.45
Prudential Managed	4	1.00	0.05	1.05
Prudential Managed Distribution	3	1.00	0.09	1.09
Prudential North American#	6	1.00	0.00	1.00
Prudential Pacific Markets#	6	1.00	0.00	1.00
Prudential Risk Managed Passive 1	2	1.00	0.00	1.00
Prudential UK Equity	6	1.00	0.00	1.00
Prudential UK Equity and Bond	3	1.00	0.00	1.00
Prudential With-Profits*	3	**	0.20	N/A

* Not available for Stakeholder plans.

This fund is due to change name and objective later in 2021.

^ This fund is scheduled for closure in the foreseeable future 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.

** 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 funds. For further details of the charges for this fund please refer to your Key Features Document and other plan documentation.

~ Investments in a cash fund could potentially 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.

Further information

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

pru.co.uk

'Prudential' is a trading name of The Prudential Assurance Company Limited which is registered in England and Wales. Registered Office at 10 Fenchurch Avenue, London EC3M 5AG. Registered number 15454. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.