

# Our With-Profits Fund

## Bonus Declaration for 2023

I'm pleased to announce that our globally diversified With-Profits Fund has produced a positive return in the changeable, fast moving economic conditions of 2023.

The Fund returned 4.3% (gross of tax) over 2023 before charges and the effects of smoothing<sup>1</sup>. Please see information specific to your Plan to find out more.

This year, Annual Bonus rates have either been increased or maintained at the same level as we declared last year, which will continue to add to the guaranteed benefits of customers' plans. Most customers will benefit from increases in Final Bonus rates, so will see an increase in the value of their plans compared to last year.

We're also delighted to have shared additional money with some of our With-Profits customers. The amount being shared is £1 billion.

## We aim to provide fair pay-outs based on what the Fund has achieved

In 2024, we'll continue our prudent and long-term investment approach and aim to secure the highest return for the Fund (after tax and any investment expenses) whilst maintaining an acceptable level of risk and protecting our customers.

We'll also continue to smooth some of the highs and lows of investment performance through our bonus process.

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<sup>1</sup> This describes the main asset pool in our With-Profits Sub-Fund, which is relevant to the vast majority of our customers.

**Clive Bolton, Chief Executive Officer, M&G Life, said:**

“The Prudential With-Profits Fund delivered a strong return in 2023 despite a fragile geo-political landscape and challenging market backdrop. Our global diversification paid off as most of our fixed income and regional equity portfolios performed well. Our cautious, long-term investment approach keeps providing good customer outcomes and looks to protect those customers from short-term adverse movements in markets.

The Fund is the biggest and one of the most financially robust with-profits funds in the UK, giving us the ability to invest in a wide range of assets and companies. We will keep an eye on markets and the risks that emerge over 2024 to best position the Fund to deliver for our customers.”

## Further information

For more information on our Bonus Declaration and to get a copy of the bonus rates that apply to your scheme or plan, please contact [\*\*corporate.pension.enquiries@prudential.co.uk\*\*](mailto:corporate.pension.enquiries@prudential.co.uk)

Alastair Hogg

Head of Corporate Pensions

We can't predict the future, so past performance isn't a guide to future performance. The rate of future bonuses can change at any time and can't be guaranteed.

The additional money shared is, where applicable, reflected in our final bonuses from this year. You shouldn't expect to get additional money in the future. There's also a chance we might have to take back the additional money distributed this year (or in previous years) in future, if we needed it to protect the interests of all our customers and the financial strength of our With-Profits Fund. Unless something very unusual happened, we wouldn't expect to have to do this. You can find out more details on our website at [\*\*pru.co.uk/aboutadditional surplus\*\*](https://pru.co.uk/aboutadditional surplus).