

Prudential's 2022 With-Profits Bonus Declaration

I'm pleased to announce our globally diversified With-Profits Fund performed well in mostly positive financial markets, despite the backdrop of Covid-19 uncertainty.

The Fund returned 12.0% (gross of tax) over 2021 before charges and the effects of smoothing*. Please see information specific to your Plan to find out more.

This year we're keeping Annual Bonus rates at the same level as last year for all customers. Final Bonus will be increased for most of our customers and therefore the value of their plans.

We've also got additional money in one of our funds to share with some customers. This means some of our With-Profits customers invested in our With-Profits Sub Fund will receive a share of this surplus. You can find out more on our website at pru.co.uk/aboutadditionalsurplus

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

In 2022, 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 to smooth some of the extreme highs and lows of investment performance.

Jack Daniels, Chief Investment Officer, M&G plc, said:

"2021 was a very good year for the Prudential With-Profits Fund. The global diversification of the Fund again proved to be beneficial. All the main regional equity portfolios produced positive returns and it was a particularly strong year for real assets including real estate and alternative investments. This helped offset lower returns from fixed income in what was a challenging environment for the asset class. Our prudent, long-term investment approach continues to provide positive returns to planholders whilst protecting them from short-term volatility, such as we witnessed in 2020.

Our approach to setting bonuses allows us to continue to manage the Fund to secure the highest total return while maintaining an acceptable level of risk.

The Prudential With-Profits Fund is one of the largest and financially strongest in the UK. This allows us to be long-term investors in a very wide range of assets and individual companies. We will continue to monitor markets and seek new investment opportunities to further enhance the global diversification of the Fund."

Further information

For more information on Prudential's Bonus Declaration and to get a copy of the bonus rates that apply to your scheme or plan, please contact **Corporate Pension Enquiries**

Alastair Hogg

Head of Corporate Pensions

*This applies to the main asset pool in our With-Profits Sub-Fund, which is relevant to the vast majority of our customers.

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.

Our Final Bonus rates include, where applicable, additional money we are sharing with some of our With-Profits customers at this bonus declaration, which is further to the additional money we shared in 2020. Your Final Bonus isn't guaranteed. There's also a chance we might have to take back the additional money in future, to protect the interests of all customers and the financial strength of our With-Profits Fund. Unless something very unusual was to happen, we wouldn't expect to have to do this

The Prudential Assurance Company Limited With-Profits Fund is one of the largest and financially strongest with-profits funds in the UK. The size and strength of our Fund allows us to invest in a very wide range of assets and individual companies.