

PAC Euro With-Profits 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.

Prudential International Investment Bond and International Prudence Bond are issued by Prudential International Assurance plc based in Dublin. They offer investment in a range of unit-linked funds, including funds which are reinsured into the Long-Term Fund of The Prudential Assurance Company Ltd (PAC). PAC is rated A+* by Standard & Poor's.

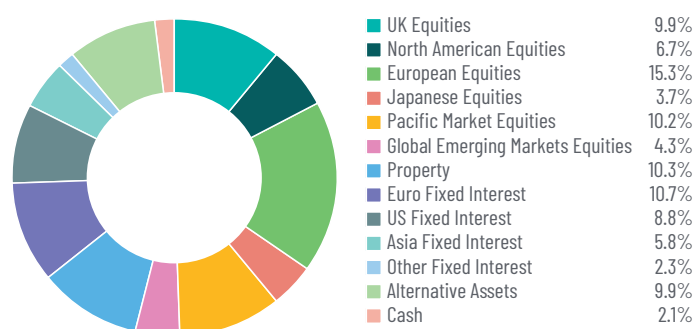
Access to this fund is no longer available to new customers investing in Prudential International Investment Bond (PIIB) or International Prudence Bond (IPB) on or after 11/09/2017. If you are an existing customer pre 11/09/2017, you will still be able to top up or switch into this fund.

* Source: S&P as at April 2021

Fund objective

The Fund aims to maximise growth over the medium to long term while helping to smooth the peaks and troughs of investment performance.

Asset allocation



This is the asset allocation for the fund as at 30 September 2021. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

Fund performance

Performance of the PAC Euro With-Profits Fund*

30/09/16-30/09/17	30/09/17-30/09/18	30/09/18-30/09/19	30/09/19-30/09/20	30/09/20-30/09/21
9.3%	4.0%	5.6%	-2.5%	19.4%

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

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 PAC With-Profits Range of Funds, the value of the policy depends on the profits made by the long term fund of The Prudential Assurance Company Limited and how these profits are distributed.

Because of changes in exchange rates the value of your investment, as well as the money you take from it, can go down as well as up.

Fund investments

The Fund currently invests in European and international equities, property, fixed interest securities, index-linked securities and other specialist investments.

Top ten holdings

*1	HARBOURVEST GLOBAL PRIVATE EQUITY	2.27%
2	HGCAPITAL TRUST PLC	0.97%
*3	BBGI GLOBAL INFRASTRUCTURE SA	0.67%
*4	SDCL ENERGY EFFICIENCY INCOME TRUS	0.62%
5	NEXTENERGY SOLAR LTD	0.51%
*6	RENEWABLES INFRASTRUCTURE GROUP LT	0.43%
7	ROUND HILL MUSIC ROYALTY FUND LTD	0.07%
*8	NB DISTRESSED DEBT INVESTMENT FD	0.07%
9	BIOPHARMA CREDIT PLC	0.06%
10	ROUND HILL MUSIC ROYALTY FUND CLAS	0.01%

*Listed other investment asset vehicle

Source: M&G as at 30 September 2021

* Source: Prudential – total return, gross of charges basis with gross income being reinvested. Please note fund performance before 25 July 2005 is based on returns from the PIA Euro With-Profits Sub-Fund. Fund performance from 25 July 2005 onwards is based on the PAC Euro With-Profits Fund. The pool of assets underlying each of these sub-funds and the charges applied, are the same.

The commentary in this report reflects the general views of the fund manager and should not be taken as a recommendation or advice as to how any market is likely to perform.

Fund commentary as at end Quarter 3 2021

Short term outlook: Economic data is decelerating from the peak. Some slowdown from unusually high levels of growth post lockdown is to be expected. From this perspective the current decrease in growth levels is not concerning. However, there is uncertainty over the underlying cause of the slowdown and how far it will go, due to the presence of supply chain disruptions, energy price rises, Chinese property developer troubles and lingering worries over new variants. Each of these presents potential to slow growth but are not yet likely to cause a full collapse.

Inflation: US CPI inflation remains high but the month-on-month change has slowed notably, relative to peak increases earlier this year (e.g. 0.3% month on month in August v 0.9% in June). Inflation in the euro area and the UK is rising. UK inflation rebounded to 3.2% year on year in August, having fallen to 2.0% in July. UK core inflation similarly rose, increasing to 3.0% from 1.7% previously. Preliminary data for the euro area show headline inflation rising to 3.4% year on year in September, up from 3.0% in August. In contrast to the UK and US, euro area core inflation is still lower, at 1.9% in September. Nonetheless, that is a notable increase from 1.6% previously and 0.9% in July.

Monetary Policy: – The Federal Reserve released an updated set of projections, including the “dot plot” (their expectations for the policy rate). The “dot plot” showed the policy rate increasing in 2022, rising to 1.8% in 2024, above market expectations. There was also a strong suggestion the Federal Reserve would start to taper its asset purchases in November. The Bank of England sent a hawkish message to the market by indicating it could raise interest rates before it stops asset purchases, potentially bringing forward the timing of the first rate hike to early next year. The Bank of Japan maintained its current policy at its September meeting.

Please note

You may only invest in one fund within the PAC With-Profits Range of Funds. Investments in PAC With-Profits Range of Funds are backed by assets in the With-Profits Fund of The Prudential Assurance Company Ltd through a reinsurance agreement.

The returns shown are the returns on the underlying assets. The actual returns on any policy are smoothed and will depend on the bonuses declared over the period of investment.

If money invested in the PAC With-Profits Range of Funds is taken out at any time, except on death, maturity or to meet certain regular withdrawals, PAC may reduce the amount to reflect the current market value of the underlying assets. This is known as a Market Value Reduction. In addition an Early Cash-In Charge may apply in the first five years of any investment into the bond.

For any fund, there may be a delay in buying, selling or switching of units. These delays will only apply in exceptional circumstances and if this applies to you, we will let you know. For more information, please refer to your Contract Conditions which you can get from your Financial Adviser.

Fund manager	M&G Treasury & Investment Office (T&IO)
Fund size	€1,180m as at 30 September 2021

Full terms and conditions are available on request from Prudential International by calling +44 (0) 808 234 2200.

Calls may be monitored or recorded for quality, training, dispute resolution and/or security purposes.

www.prudential-international.com

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