

**Aims**

Objective: The investment strategy of the fund is to purchase units in the M&G PP UK Equity Fund - the underlying fund.

Underlying Fund Objective: The fund invests, via other M&G PP funds, in the shares of UK companies. The fund is actively managed against its benchmark, the FTSE All-Share Index. It is a "fund of funds" holding units in several more specialised UK equity funds giving access to a variety of methods for generating investment returns in differing market conditions.

Performance Objective: To outperform the benchmark by 0.75% - 1.0% a year (before charges) on a rolling three year basis.

**Benchmark**

|           |                      |
|-----------|----------------------|
| Benchmark | FTSE All-Share Index |
| Sector    | ABI UK All Companies |

**Identification Codes**

|            |              |
|------------|--------------|
| Sedol Code | 0702265      |
| Mex Code   | PUPME        |
| Isin Code  | GB0007022659 |
| Citi Code  | PS18         |

**Fund Overview**

|                        |            |
|------------------------|------------|
| Bid (30/11/2020)       | 7.34       |
| Offer (30/11/2020)     | 7.73       |
| Fund size (30/09/2020) | £114.43m   |
| Underlying Fund size   | £348.21m   |
| Number of holdings     | 587        |
| Launch date            | 02/07/1991 |

**Fund Charges**

|                                |              |
|--------------------------------|--------------|
| Annual Management Charge (AMC) | 0.75%        |
| Further Costs                  | 0.02%        |
| <b>Yearly Total</b>            | <b>0.77%</b> |

**Performance**



**Discrete performance - to latest available quarter end**

|           | 30/09/15 to 30/09/16 | 30/09/16 to 30/09/17 | 30/09/17 to 30/09/18 | 30/09/18 to 30/09/19 | 30/09/19 to 30/09/20 |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fund      | 13.9%                | 13.4%                | 7.5%                 | -0.9%                | -14.8%               |
| Benchmark | 16.8%                | 11.9%                | 5.9%                 | 2.7%                 | -16.6%               |

**Performance - to latest available quarter end**

|           | Quarter | Annualised          |                     |                      |  |
|-----------|---------|---------------------|---------------------|----------------------|--|
|           | 3 2020  | 3 Years to 30/09/20 | 5 Years to 30/09/20 | 10 Years to 30/09/20 |  |
| Fund      | -1.3%   | -3.2%               | 3.2%                | 5.2%                 |  |
| Benchmark | -2.9%   | -3.2%               | 3.5%                | 5.1%                 |  |

**Prudential Risk Rating**

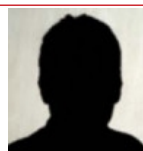
**Higher Risk**  
 These are specialist equity funds that focus on set geographical regions or a particular type of share e.g. shares of smaller companies or those that conform to certain criteria.

These risk ratings have been developed by Prudential to help provide an indication of a fund's potential level of risk and reward based on the type of assets which may be held by the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.

We regularly review our fund risk ratings, so they may change in the future. If, in our view, there is a material change in the fund's level of risk, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we will provide information on the new risk rating. We recommend that you make sure you understand the risk rating of any fund before you invest.

You should also consider discussing your decision and the appropriateness of a fund's risk rating with an adviser.

**Fund Managers**



Name: M&G Treasury & Investment Office  
 Manager of the underlying fund for: 4 years, 9 months

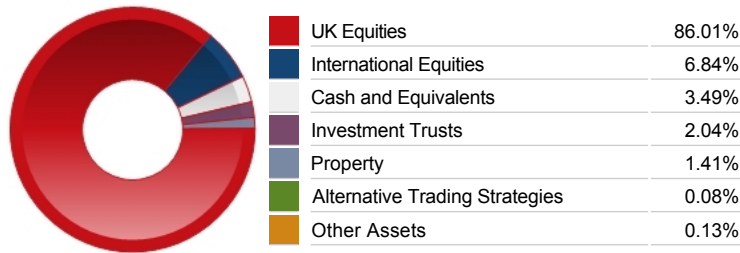
**Important Information**

- Some funds may invest in 'underlying' funds or other investment vehicles. The performance of our fund, compared to what it's invested in won't be exactly the same. That can be due to additional charges, cash management (needed to help people to enter and leave our fund when they want), tax and the timing of investments (this is known as a fund's dealing cycle, it varies between managers and can be several days).
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- Source of portfolio data: Broadridge. Source of performance data: FE fundinfo. We can't predict the future. Past performance isn't a guide to future performance. The figures shown are intended only to demonstrate performance history of the fund, after allowing for the impact of fund charges and further costs, but take no account of any Annual Management Charge paid for by the deduction of units. Charges and further costs may vary in the future and may be higher than they are now. Fund performance is based upon the movement of the daily price and is shown as total return in GBP with gross income reinvested. The value of your investment can go down as well as up so you might get back less than you put in.
- This factsheet is intended for the trustees, sponsors, advisers and members of occupational pension schemes using Prudential group pension contracts and Prudential grouped personal pensions and Stakeholder pension contracts. Its purpose is to provide an insight into how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included, then please contact an adviser. Investors should refer to their scheme documentation (e.g. Fund Guide) for fund availability, investment strategy, any scheme information and charges. Every care has been taken in populating this output, however it must be appreciated that neither Broadridge, Prudential nor their sources guarantee the accuracy, adequacy or completeness of this information or make any warranties regarding results from its usage.

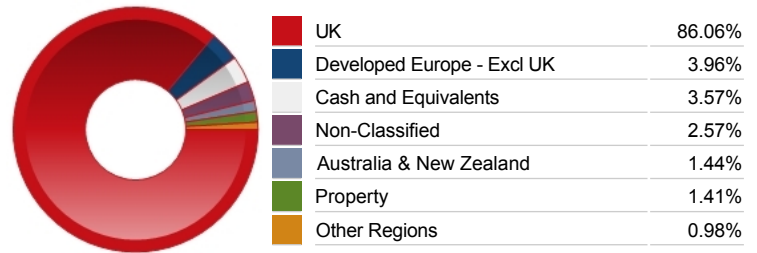
**Top 10 Holdings**

| Name                       | % Weight | Sector                               | Country        |
|----------------------------|----------|--------------------------------------|----------------|
| 1 ASTRAZENECA              | 4.91%    | Pharmaceuticals & Biotechnology      | United Kingdom |
| 2 HSBC HLDGS               | 3.00%    | Banks                                | United Kingdom |
| 3 BP                       | 2.65%    | Non-Renewable Energy                 | United Kingdom |
| 4 UNILEVER                 | 2.59%    | Personal Care, Drug & Grocery Stores | United Kingdom |
| 5 RIO TINTO                | 2.54%    | Industrial Metals & Mining           | United Kingdom |
| 6 GLAXOSMITHKLINE          | 2.34%    | Pharmaceuticals & Biotechnology      | United Kingdom |
| 7 ROYAL DUTCH SHELL        | 2.12%    | Non-Renewable Energy                 | United Kingdom |
| 8 BRITISH AMERICAN TOBACCO | 2.07%    | Tobacco                              | United Kingdom |
| 9 RECKITT BENCKISER GROUP  | 2.00%    | Personal Care, Drug & Grocery Stores | United Kingdom |
| 10 NATIONAL GRID           | 1.76%    | Gas, Water & Multi-utilities         | United Kingdom |

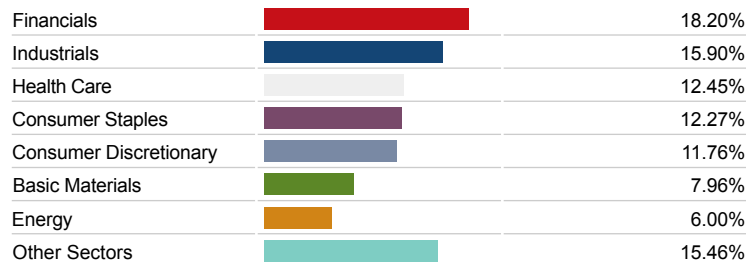
**Asset Allocation**



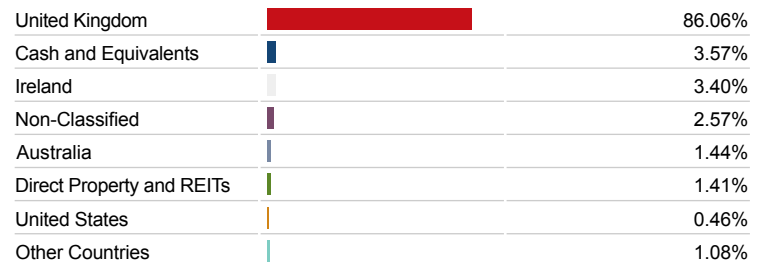
**Regional Allocation**



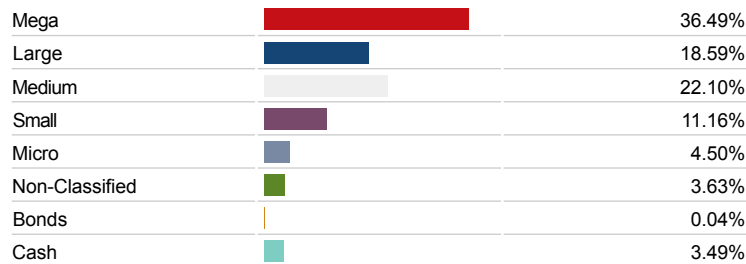
**Equity Sector Breakdown**



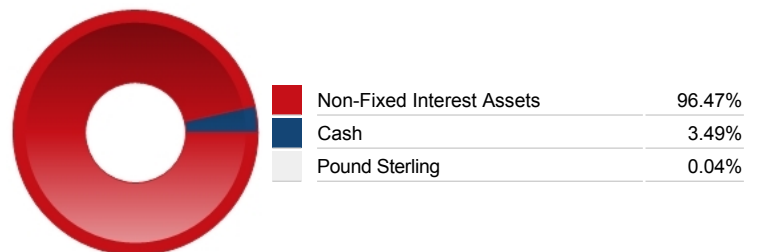
**Top Country Breakdown**



**Breakdown By Market Cap (%)**



**Fixed Interest Currencies**



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## Performance comment

Performance as at Q2 2020 - Performance as at Q2 2020 - The second quarter saw equity markets rebound strongly after the steep declines of the previous quarter due to the coronavirus pandemic. In this environment the fund made robust gains and was ahead of the benchmark. All of the underlying funds made significant advances in absolute terms, with the Recovery Fund and UK Equity Growth Fund ahead of their respective benchmarks. The UK Equity Dividend Fund and the Smaller Companies Fund lagged behind their benchmarks.

Recovery staged a strong comeback in the second quarter, with outperformance mainly attributable to holdings in the biotechnology and resources sectors. Mesoblast rallied more than 150%, assisted by news that its GvHD (graft versus host disease) treatment was being trialled in the US as a potential lifeline to patients in the advanced stages of COVID-19. In addition, Oxford Biomedica was boosted by the news that it had joined a consortium led by Oxford University to develop and manufacture one of the leading coronavirus vaccines.

The Equity Growth Fund's outperformance in the quarter was driven by stock selection. Notable names among the best performers were ASOS, which has created an unassailable position as the online department store for fashion-conscious 15 to 35-year olds and Fever-Tree, the producer of premium mixers for alcoholic drinks. The Equity Dividend Fund's underperformance largely reflects its high-yield portfolio, which has been overwhelmed by the impact of dividend cuts and suspensions from corporate UK. The fund's natural defensive tilt also meant that it underperformed in the second-quarter market rally by companies more exposed to a recovery in the economy. The main individual detractors included oil major BP, which has been hurt by this year's collapse in oil prices. Contributors included Ladbrokes Coral owner GVC and miner Rio Tinto.

The Smaller Companies Fund's performance was held back by having relatively large cash levels in a rising market. A lack of presence in the oil & gas sector also hurt, as a number of oil stocks entered the benchmark in March and subsequently rallied sharply. Meanwhile, contributors included miniature wargaming manufacturing firm Games Workshop. The stock had previously sold off heavily, but has since traded ahead of expectations, with the shares further supported by a new computer game tie-up for its main Warhammer franchise.

Source: M&G