

**Aims**

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

Underlying Fund Objective: The fund provides a multi-asset approach to investment, holding a mix of UK and overseas company shares, bonds, property, cash plus listed alternative assets primarily through other M&G funds or direct holdings. It is actively managed against an internal benchmark asset allocation set by the M&G Treasury & Investment Office. It is a "fund of funds" where both active stock selection, within the underlying sector funds, and asset allocation decisions are used to add value. Derivative instruments may be used for efficient portfolio management.

Performance Objective: To outperform the internal composite benchmark by 1.15%-1.40% a year (before charges) on a rolling three year basis.

**Benchmark**

Benchmark	Internal composite benchmark, asset allocation set by the M&G Life Investment Office (LIO).
ABI Sector	Mixed Investment 40-85% Shares

**Identification Codes**

Sedol Code	0702254
Mex Code	PUPMD
Isin Code	GB0007022543
Citi Code	PS17

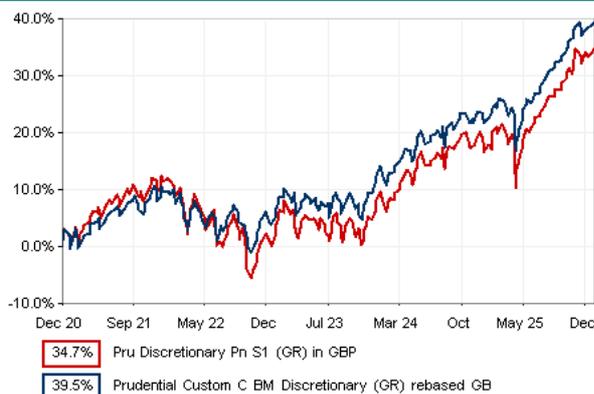
**Fund Overview**

Bid (24/02/2026)	11.83
Offer (24/02/2026)	12.45
Fund size (31/12/2025)	£398.53m
Underlying Fund size	£478.57m
Number of holdings	10324
Launch date	02/07/1991

**Fund Charges**

Annual Management Charge (AMC)	0.75%
Further Costs	0.08%
<b>Yearly Total</b>	<b>0.83%</b>

**Performance**



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

	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25
Fund	11.9%	-9.6%	8.3%	7.2%	14.6%
Benchmark	9.6%	-4.6%	9.1%	7.0%	14.4%

**Performance - to latest available quarter end**

	Quarter	Annualised		
	4 2025	3 Years to 31/12/25	5 Years to 31/12/25	10 Years to 31/12/25
Fund	4.0%	10.0%	6.1%	7.1%
Benchmark	3.5%	10.1%	6.9%	n/a

**Prudential Risk Rating**

**Medium Risk**

These funds may invest in multi-asset strategies with a higher weighting in equities (or with significant derivative use), while funds investing mainly in property, high yield or government bonds (such as UK Gilts) are also in this category.

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.

**Fund Managers**



Name: M&G Treasury & Investment Office  
 Manager of the underlying fund for: 42 years, 10 months

**Important Information**

- Because of changes in exchange rates the value of your investment, as well as any money you take from it, can go down as well as up.
- 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).
- 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 client's investment can go down as well as up and the amount your client gets back may be less than they put in.
- This factsheet is intended for the advisers 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. You should refer to your client's 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.

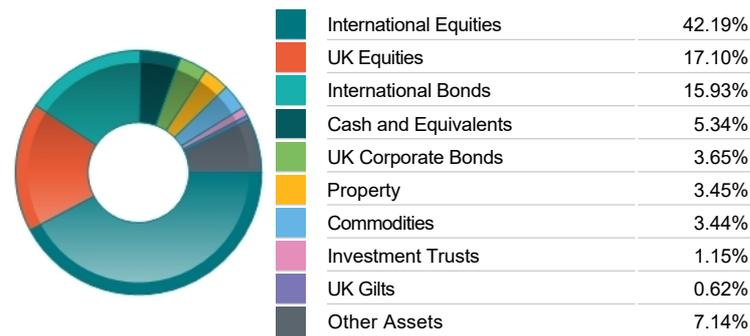
## Top 10 Fund Holdings

Name	% Weight
1 M&G PP UK Equity Fund	17.94%
2 M&G (1) Asia Pacific (ex Japan) Equity Class GBPZ2A	9.42%
3 M&G Sterling Investment Grade Corporate Bond Class Z2A	8.77%
4 M&G (Lux) Asian Local Currency Bond Clazz Z2A AC	4.10%
5 M&G (ACS) BlackRock US Equity 2 Z2A GBP ACC	4.01%
6 M&G (ACS) Japan Equity Fund Z2A Acc	3.93%
7 M&G (1) US Corporate Bond Class Z2A GBP	3.81%
8 Legal & General Global Infrastructure Index Class C	3.73%
9 M&G (LUX) FCP Europe ex UK Equity Fund Z2A Acc	3.71%
10 PRELP CLASS A AIF	3.49%

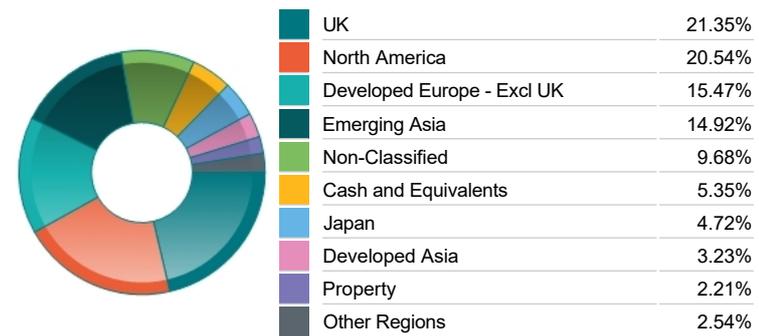
## Top 10 Holdings

Name	% Weight
1 PRELP CLASS A AIF	3.49%
2 M&G Asia Property Fund Class SH CLS Series 1	1.19%
3 TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	1.04%
4 M&G EUROPEAN PROPERTY FUND EUR G A	0.91%
5 ASTRAZENECA	0.87%
6 GBP FWD ASSET 20 JAN 2026	0.86%
7 SAMSUNG ELECTRONICS CO. LTD	0.68%
8 HSBC HOLDINGS	0.67%
9 TENCENT HOLDINGS LIMITED	0.56%
10 SHELL	0.52%

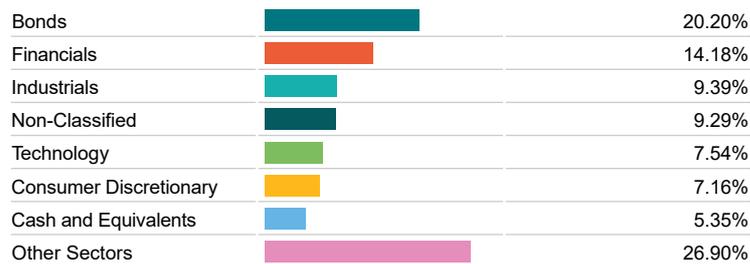
## Asset Allocation



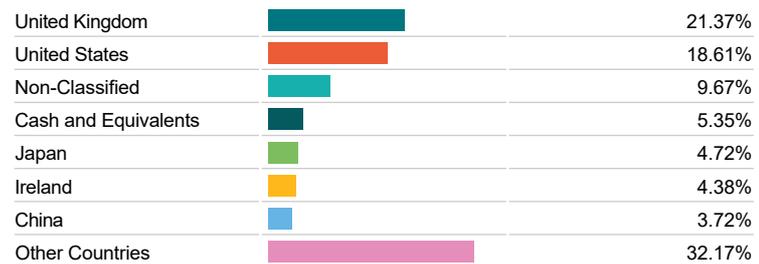
## Regional Allocation



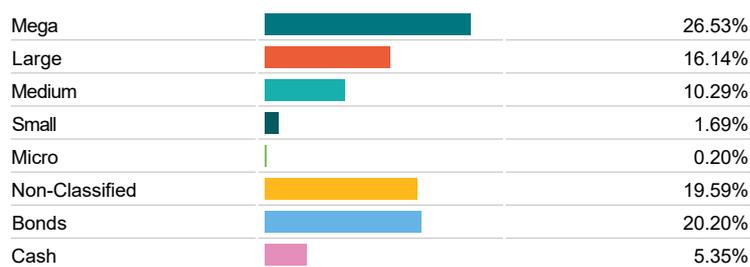
## Sector Breakdown



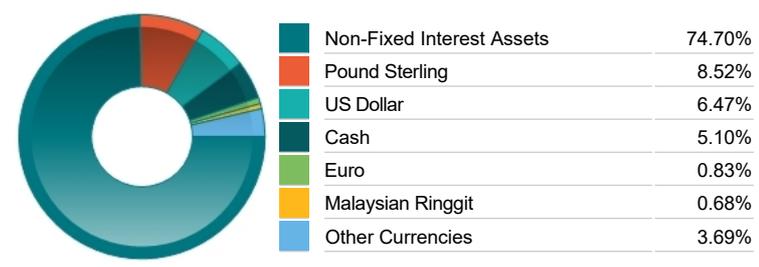
## Top Country Breakdown



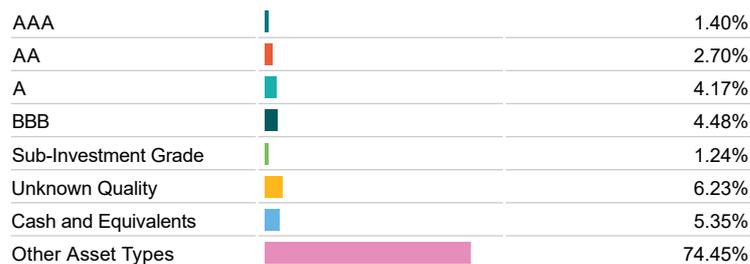
## Breakdown By Market Cap (%)



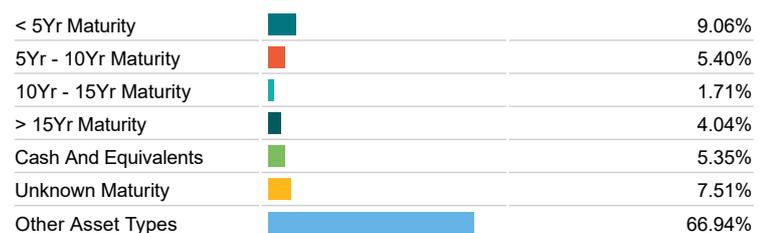
## Fixed Interest Currencies



## Fixed Interest Quality Profile



## Fixed Interest Maturity Profile



## Important Information

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## Commentary

Performance as at Q3 2025 - Financial markets generally fared well in the third quarter, with markets continuing to recover following the tariff-related sell-off earlier in the year. Investors' concern about the potential for trade disruption eased and sentiment improved, thanks to a month's delay in implementing tariffs, as well as trade deals between the US and the EU and with Japan.

Global stockmarkets were also supported by strong corporate earnings and the expectation of US interest rate cuts. These duly transpired in September when the Federal Reserve reduced interest rates by 25 basis points.

The fund gained in the quarter and was broadly in line with the benchmark and the comparator. In absolute terms, Pacific and emerging stockmarkets, notably China, were the strongest performers, while Japan and the US made solid gains and the UK and Europe made more modest advances. Most major stockmarkets rose in the quarter but India declined, all in sterling terms.

Pacific and some emerging markets made double-digit gains, with China producing robust returns on the back of strong performance from AI-related and technology stocks. Investor sentiment was also supported by hopes of further stimulus measures to boost the Chinese economy. Other technology heavy markets such as Taiwan and Korea also fared well. In contrast, India and Indonesia lagged behind, with India's economy expected to be hurt by US President Trump's decision to impose high tariffs on Indian goods, while Indonesia struggled due to concerns about the independence of the central bank. Japan fared well on the back of its tariff agreement with the US, which has increased clarity.

US stocks were driven largely by AI and technology stocks, as well as the interest rate cut and greater clarity regarding trade tariffs. The UK stockmarket's performance was led by larger companies, while more domestically focused mid- and small-sized companies were held back by worries about persistent inflation, slowing economic growth and the UK's fiscal position.

In Europe, markets were supported by a trade deal between the European Union and the US. However, some concerns about fiscal positions and political issues weighed on sentiment. Stock picking in Pacific markets led performance, while Japan and India supported returns, although to a lesser extent. Stock picks in emerging markets and China were broadly neutral. Stock selection in the UK and the US held back returns, while stock picks in Europe cost some relative performance. In the bond market, the price of UK government bonds (gilts) fell in the quarter, underperforming both US Treasuries and German bunds. The yield of the 10-year UK gilt rose from 4.4% to 4.7% (and conversely, the price fell). A combination of stubbornly high inflation, mounting fiscal concerns and a febrile political environment increased UK borrowing costs.

UK corporate bonds outperformed government debt. In the US, the 10-year Treasury yield fell to 4.2%, supported by the interest rate cut. Overall, US Treasuries rose 1.6% in the quarter, underperforming US corporate bonds, which returned 2.6%. The fund's allocation to fixed income cost some performance, as did exposure to real estate, although the position in alternative assets was beneficial. The fund maintains an above-index allocation to equities, comprising a diversified basket of US, Asia, Europe and global emerging markets. Markets remain reactive to a mix of economic and geopolitical signals, with recent moves reflecting uncertainty around inflation, growth and policy direction. While corporate earnings have held up in many regions, investor sentiment has become more cautious. As inflation trends diverge and labour markets evolve, central banks may take increasingly different paths - raising the potential for greater dispersion across asset classes and regions in the period ahead.

Source: M&G

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