

**Aims**

Objective: The investment strategy of the fund is to purchase units in the Baillie Gifford UK Equity Core Fund - the underlying fund.

Underlying Fund Objective: The objective of that fund is to outperform (after deduction of costs) the FTSE All-Share Index by at least 1% per annum over rolling five-year periods. The underlying (Baillie Gifford) fund will invest at least 80% directly or indirectly in shares of UK companies, being those which are incorporated, domiciled or conduct a significant portion of their business in the UK. The underlying fund will be actively managed and may invest in UK companies of any size and in any sector. The indirect investment will be through collective investment schemes including those managed or operated by the Authorised Corporate Director (ACD) of the underlying fund. The underlying fund may also invest in companies which are listed, quoted or traded in the UK. To the extent that the underlying fund is not fully invested directly or indirectly in shares of such companies, it may also invest in other transferable securities of UK companies, deposits and cash. The underlying fund may not invest in or otherwise use derivatives.

**Benchmark**

Benchmark FTSE All-Share Index + 1%  
Sector ABI UK All Companies

**Identification Codes**

Sedol Code	3420188
Mex Code	PUPAC
Isin Code	GB0034201888
Citi Code	P552

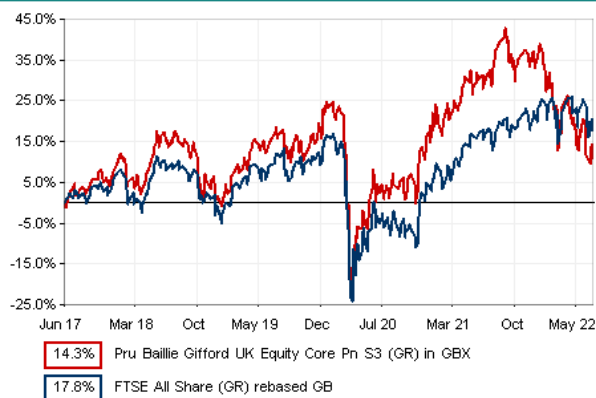
**Fund Overview**

Daily price (15/08/2022)	387.05
Fund size (30/06/2022)	£8.30m
Underlying Fund size	£244.39m
Number of holdings	115
Launch date	05/04/2004

**Fund Charges**

Annual Management Charge (AMC)	Please refer to the "Fund Guide" for your specific pension plan
--------------------------------	---

**Performance**



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

	30/06/17 to 30/06/18	30/06/18 to 30/06/19	30/06/19 to 30/06/20	30/06/20 to 30/06/21	30/06/21 to 30/06/22
Fund	13.6%	2.6%	-11.2%	25.5%	-12.0%
Benchmark	9.0%	0.6%	-13.0%	21.5%	1.6%

**Performance - to latest available quarter end**

	Quarter	Annualised			
	2 2022	3 Years to 30/06/22	5 Years to 30/06/22	10 Years to 30/06/22	
Fund	-8.8%	-0.6%	2.7%	7.4%	
Benchmark	-5.0%	2.4%	3.3%	6.9%	

**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: Iain McCombie  
Manager of the underlying fund for: 4 years, 7 months

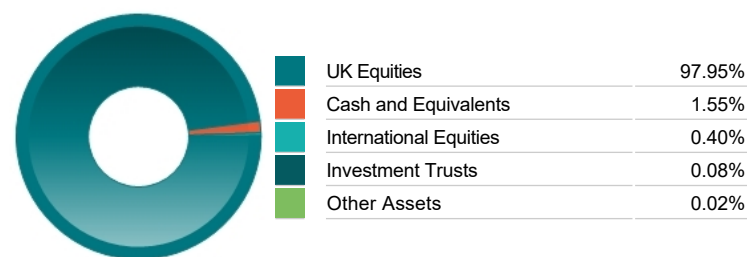
**Important Information**

- 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).
- Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2019. FTSE Russell is a trading name of certain of the LSE Group companies. e.g., "FTSE®" "Russell®", "FTSE Russell®", "MTS®", "FTSE4Good®", "ICB®", "Mergent®, The Yield Book®," are a trade mark(s) of the relevant LSE Group companies and are used by any other LSE Group company under license. "TMX®" is a trade mark of TSX, Inc. and used by the LSE Group under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.
- 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.

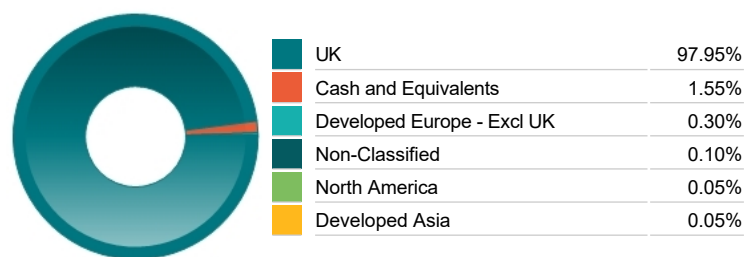
Top 10 Holdings

Name	% Weight	Sector	Country
1 DIAGEO	4.66%	Beverages	United Kingdom
2 ASTRAZENECA	4.60%	Pharmaceuticals & Biotechnology	United Kingdom
3 BUNZL	4.17%	General Industrials	United Kingdom
4 RIO TINTO	3.90%	Industrial Metals & Mining	United Kingdom
5 ST JAMES'S PLACE	3.73%	Investment Banking & Brokerage Services	United Kingdom
6 UNILEVER	3.36%	Personal Care, Drug & Grocery Stores	United Kingdom
7 LEGAL & GENERAL GROUP	3.24%	Life Insurance	United Kingdom
8 INCHCAPE	3.01%	Industrial Support Services	United Kingdom
9 PRUDENTIAL	2.91%	Life Insurance	United Kingdom
10 RELX	2.90%	Media	United Kingdom

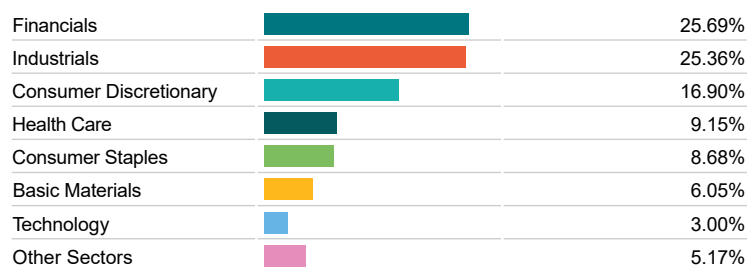
Asset Allocation



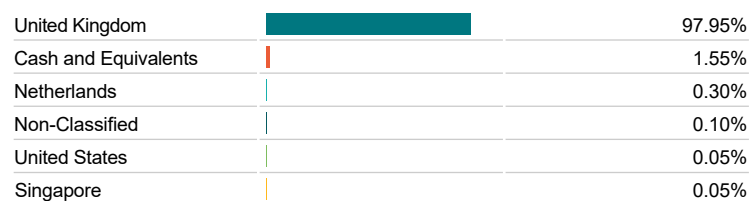
Regional Allocation



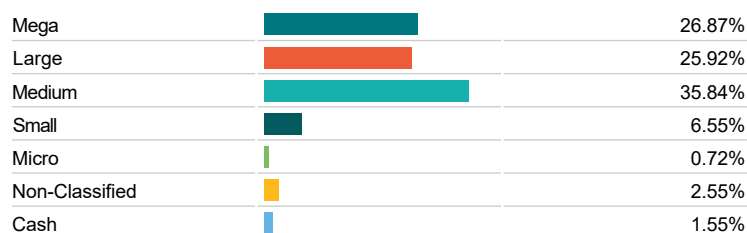
Equity Sector Breakdown



Top Country Breakdown



Breakdown By Market Cap (%)



Important Information

- The Industry Classification Benchmark is a product of FTSE International Limited and has been licensed for use.
- Prudential is a trading name of Prudential Pensions Limited. Prudential Pensions Limited is registered in England and Wales. Registered office at 10 Fenchurch Avenue, London EC3M 5AG. Registered number 992726. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

## Commentary

Performance as at Q1 2022 - The underlying fund UK holdings have encountered a run of poor share price performance over the past year, however, this is at odds with the strong operational growth the fund managers are seeing from these businesses. The fund managers are sticking to their investment philosophy and process and are confident that the portfolio is well-positioned for future growth.

Amongst the most notable detractors was the holding in the motor distributor, Inchcape. The fund managers have been asked by some clients to quantify the Russian exposure in light of the tragic events in Ukraine. The short answer is that the portfolio has no direct exposure but of course it is the indirect impacts that are the ones to watch. Within the portfolio, Inchcape earned about 5 per cent of profits in 2021 from its retail operations in Moscow, inflated in the year by the globally buoyant price of second-hand cars. Following the invasion of Ukraine, the company announced that it will look to 'transition' this operation although it is trying to do so in a way that looks after its roughly 1,500 employees there. A future write-off of the value of the business is inevitable (it is of some comfort that Inchcape had sold its retail operation in St Petersburg earlier in 2021) but the fact that it is trying to behave responsibly in difficult circumstances is a sign of a healthy corporate culture and importantly sends a strong message about its values to the rest of its forty or so country operations around the globe.

The animal genetics company Genus also detracted, as a severe cyclical downturn in the Chinese porcine market is affecting short-term profitability. However, the fund managers believe the current hiatus only re-enforces the long-term opportunity for Genus as it would provide a further powerful boost to the ongoing consolidation and industrialisation of the pig farming industry and the growth of large-scale producers. The fund managers believe company's world-leading genetics and its substantial investments in building its Chinese supply chain over the last five years put in great position to exploit this favourable industry backdrop.

In terms of contributors, as you might expect, it has been the portfolio's more economically sensitive assets that have held up well this quarter. A good example is the mining business, BHP. The company recorded record annual profits, driven by soaring commodity prices as industrial activity returns to all regions of the world following pandemic-induced lockdowns. Iron ore, a core product used in steel production, was the largest contributor.

For similar reasons, the global metals and mining business, Rio Tinto was also a top contributor during the quarter. Looking out, the fund managers see a very healthy demand picture for iron ore as the need to rapidly scale up the renewable energy infrastructure will act as a structural tailwind for years, indeed decades, to come.

In difficult environments such as those the fund managers face today, where sentiment has moved against the holdings and the market's time horizon has shortened, the fund managers have to remain steadfast in their long-term, bottom-up investment approach. They appreciate periods such as these can be challenging to relative performance, and they thank you for your ongoing support.

Source: Baillie Gifford

## Important Information

- Prudential is a trading name of Prudential Pensions Limited. Prudential Pensions Limited is registered in England and Wales. Registered office at 10 Fenchurch Avenue, London EC3M 5AG. Registered number 992726. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.