

Aims

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

Underlying Fund Objective: The fund invests mainly in high quality sterling corporate bonds across the range of maturities. The fund is actively managed against its benchmark, the iBoxx sterling Non-Gilts Index. The fund may also hold UK government gilts and limited amounts of high yield and hedged non-sterling corporate bonds. Derivative instruments may be used for efficient portfolio fund management.

Performance Objective: To outperform the benchmark by 0.80% a year (before charges) on a rolling three year basis.

Benchmark

|            |                                |
|------------|--------------------------------|
| Benchmark  | iBoxx Sterling Non-Gilts Index |
| ABI Sector | Sterling Fixed Interest        |

Identification Codes

|            |              |
|------------|--------------|
| Sedol Code | 3168563      |
| Mex Code   | PUCB         |
| Isin Code  | GB0031685638 |
| Citi Code  | P270         |

Fund Overview

|                          |            |
|--------------------------|------------|
| Daily price (22/04/2025) | 335.10     |
| Fund size (28/02/2025)   | £28.74m    |
| Underlying Fund size     | £1310.70m  |
| Number of holdings       | 504        |
| Launch date              | 06/04/2001 |

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

|           | 31/03/20 to 31/03/21 | 31/03/21 to 31/03/22 | 31/03/22 to 31/03/23 | 31/03/23 to 31/03/24 | 31/03/24 to 31/03/25 |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fund      | 8.8%                 | -4.6%                | -8.8%                | 6.4%                 | 3.3%                 |
| Benchmark | 7.0%                 | -5.2%                | -10.2%               | 6.1%                 | 2.4%                 |

Performance - to latest available quarter end

|           | Quarter 1 2025 | 3 Years to 31/03/25 | 5 Years to 31/03/25 | 10 Years to 31/03/25 |
|-----------|----------------|---------------------|---------------------|----------------------|
| Fund      | 1.0%           | 0.1%                | 0.8%                | 2.5%                 |
| Benchmark | 0.7%           | -0.8%               | -0.2%               | 1.5%                 |

Prudential Risk Rating

Lower to Medium Risk

These funds may invest in corporate bonds or multi-asset strategies with a higher weighting in corporate bonds (and other comparable strategies).

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: Jamie Hamilton  
Manager of the underlying fund for: 24 years, 2 months

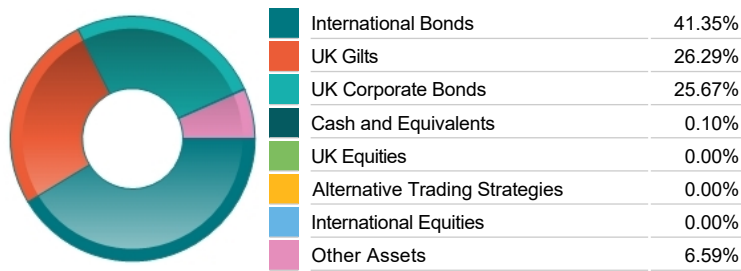
Important Information

- 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 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.

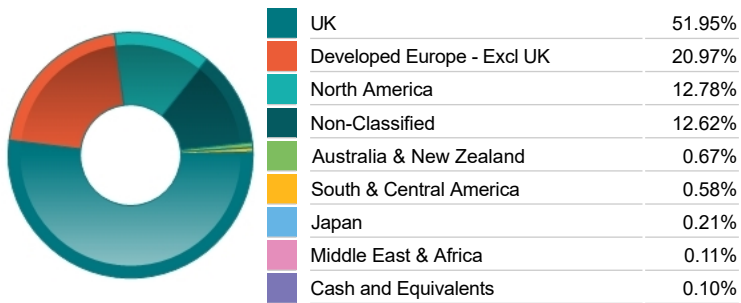
Top 10 Holdings

| Name                         | % Weight | Sector | Country        |
|------------------------------|----------|--------|----------------|
| 1 ¾% Treasury Gilt 2026      | 4.84%    | Bonds  | United Kingdom |
| 2 ¾% Treasury Gilt 2044      | 3.49%    | Bonds  | United Kingdom |
| 3 ½% Treasury Gilt 2029      | 2.54%    | Bonds  | United Kingdom |
| 4 ½% Treasury Gilt 2026      | 2.22%    | Bonds  | United Kingdom |
| 5 4½% Treasury Gilt 2028     | 2.11%    | Bonds  | United Kingdom |
| 6 1% Treasury Gilt 2032      | 2.01%    | Bonds  | United Kingdom |
| 7 1½% Treasury Gilt 2026     | 1.71%    | Bonds  | United Kingdom |
| 8 4 1/2 Treasury 2034        | 1.58%    | Bonds  | United Kingdom |
| 9 LCR FINANCE PLC - GTD RegS | 1.18%    | Bonds  | United Kingdom |
| 10 EUROPEAN INVESTMENT BANK  | 1.17%    | Bonds  | Luxembourg     |

Asset Allocation



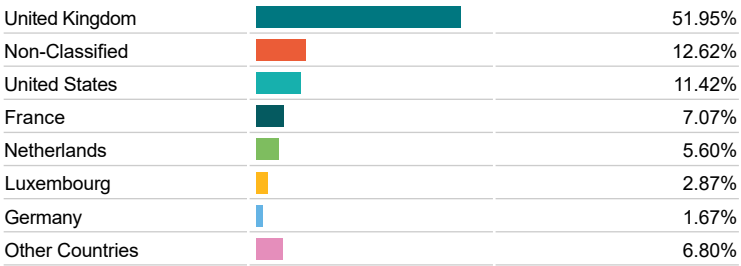
Regional Allocation



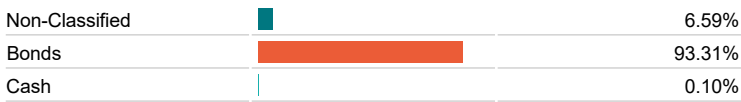
Bond Sector Breakdown



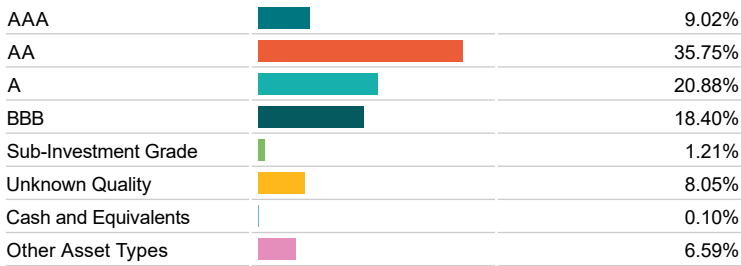
Top Country Breakdown



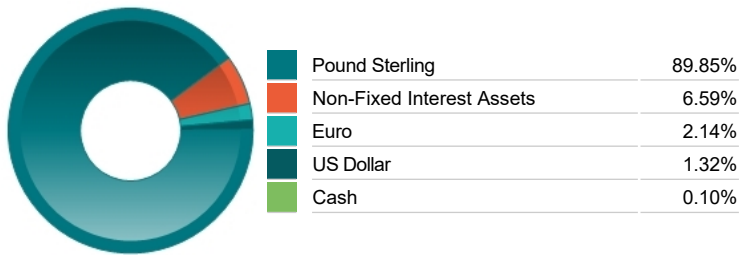
Breakdown By Market Cap (%)



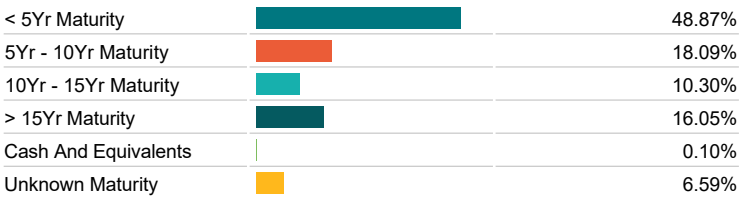
Fixed Interest Quality Profile



Fixed Interest Currencies



Fixed Interest Maturity Profile



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.
- The Industry Classification Benchmark is a product of FTSE International Limited and has been licensed for use.

## Commentary

Performance as at Q4 2024 - Q4 24 was difficult for fixed income markets. Economic data is causing investor sentiment to swing between extremes. In the UK, the Labour government budget announced additional borrowing, raising concerns over long-term growth. The Office for Budget Responsibility forecast growth of just 1% this year and 2% in 2025. The market absorbed a post-budget update from the UK Debt Management Office that gross financing needs for 2024/2025 will be GBP 23 billion higher than projected in April, with an additional cumulative increase of GBP 145 billion over the next four years. Yields eased by 5 to 10 basis points(bps) from their session highs, though volatility remained pronounced. For the Bank of England, the market's takeaway was that rates are likely to stay elevated for longer. The Bank of England cut the Bank Rate by 25bps in November but kept it unchanged at 4.75% in December. However Monetary Policy Committee (MPC) divisions increased with three dissenters calling for an imminent rate cut. Still, a gradual approach to removing policy restraint was preferred. Inflationary pressures remain with November Consumer Price Index (CPI) at 2.6% (from 2.3) and Core CPI at 3.5%. The UK grew by 0.9% YoY in Q3 2024 and was flat QoQ vs. Q2. The spread of 10-year gilts over bunds widened by 32bps in Q4 to 220bps, the highest since October 2022. The European Central Bank (ECB) cut rates by 25bps in October and December, bringing the deposit rate down to 3.00%. Meanwhile, business activity remained sluggish and Eurozone CPI moved up to 2.2%, with unemployment unchanged at 6.3%. Furthermore, the Eurozone grew by 0.9% YoY in Q3, largely as expected. In November there were significant political developments in France, with growing speculation about the government's survival as they looked to pass a budget. This continued into December as the government led by Michel Barnier fell. As a result, French assets continued to underperform, with the CAC 40 down -3.3% in total return terms, and the Franco-German 10 year yield spread widening to 83bps. In the US, October saw a much brighter global outlook as markets bounced back. On October 3rd, the US ISM services index hit a 19-month high at 54.9. Then, the US jobs report came in stronger than expected. This meant that unemployment fell to 4.1%. The US presidential election saw victory for Donald Trump, as well as Republican control of the House of Representatives and the Senate. That saw higher US Treasury yields and USD. There was a growing scepticism that the Federal Reserve(Fed) would cut rates rapidly over the year ahead. Then data also showed core Personal Consumption Expenditures at a seven month high in October. So there was growing concern that inflation was proving sticky. In December the Fed reduced rates again, bringing the total cuts for 2024 to 100 basis points. They only indicated a further 50bps of cuts for 2025, which was more aggressive than anticipated. This led to Treasury yields rising in response. By the end of the year, the 10-year yield closed at 4.57%. The CPI indicated a continued rise in inflation, while Core inflation remained steady at 3.3%. The unemployment rate remained relatively stable. Q4 saw Sterling IG spreads tightening, with the index spread falling 24bps, whilst Gilt yields rose 49bps which led to a -0.41% total return. European IG spreads tightened by 15bps. However, government bond yields rose to 2.21% which offset the impact of widening spreads and resulted in a 0.81% total return. US IG spreads also tightened, however US treasury yields rose markedly by 69bps to 4.47% resulting in a -2.84% total return. Overall, Global IG spreads tightened 12bps, reflecting regional divergences but maintaining stability amid significant geopolitical and economic developments. Similarly, global HY markets returned 0.46%, with European HY outperforming US HY. European HY spreads ended at 311bps, while US HY spreads tightened to 292bps.

Source: M&G

## 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.