We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

All our literature is available in audio, large print or braille versions. If you'd like one of these please contact us on 0345 640 2000 and we'll send these out to you.

This fund guide includes a list of funds that are available with our International Prudence Bond (Spain).

Some important notes we'd like you to read:

• The types of assets a fund invests in will have a significant effect on its performance. Generally, the higher the potential returns, the higher the risk.

• A fund’s name isn’t indicative of the risk it may take.

• The information in this guide is correct as at 30 June 2019 unless another date is shown.

• This guide doesn’t take account of current market conditions or other short-term fund specific changes. Up to date information on each fund can be found at prudential-international.com/es-en-customer/ipb/funds/

• All views are Prudential International's.

• For important decisions it’s always good to talk to experts who can help you, that’s why we recommend that you discuss fund selection with your financial adviser.

• If there is information or terminology included that you would like to discuss, then please speak to your financial adviser.
Funds that are open to new and existing investors

You’ll find a Key Information Document for the International Prudence Bond (Spain), and Investment Option Documents for each of the funds that are open to new investors at prudential-international.com

These documents include information such as:

- Fund objective
- Summary risk indicator
- Investment performance

For the funds listed below, it's very important that you read both the International Prudence Bond (Spain) Key Information Document and relevant fund Investment Option Document(s) before making an investment decision.

If you’re invested in a fund that’s available through the International Prudence Bond (Spain), but it’s not listed in this section then please see page 8.

Funds Available

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Fund name</th>
</tr>
</thead>
<tbody>
<tr>
<td>PruFund Cautious (Euro) Fund</td>
<td>PruFund Growth (Sterling)</td>
</tr>
<tr>
<td>PruFund Cautious (Sterling) Fund</td>
<td>PruFund Growth (US Dollar)</td>
</tr>
<tr>
<td>PruFund Cautious (US Dollar) Fund</td>
<td>M&amp;G Property Fund</td>
</tr>
<tr>
<td>PruFund Growth (Euro)</td>
<td></td>
</tr>
</tbody>
</table>

**Prufund Protected Funds (currently closed to new business)**

<table>
<thead>
<tr>
<th>Fund name</th>
</tr>
</thead>
<tbody>
<tr>
<td>PruFund Protected Cautious (Euro) Fund*</td>
</tr>
<tr>
<td>PruFund Protected Cautious (Sterling) Fund*</td>
</tr>
<tr>
<td>PruFund Protected Cautious (US Dollar) Fund*</td>
</tr>
</tbody>
</table>

* The PruFund Protected Funds have a tenth anniversary guarantee. This means that on the Guarantee Date your fund will have a value equal to at least the value of the fund holding at the start of the investment, after a proportional reduction for any regular or one-off withdrawals.
# Information to read before making a decision

## Fund Charges and Further Costs

### Annual Management Charge

We take an Annual Management Charge (AMC) for looking after your investment, from each of the funds you invest in. Any further costs shown are expenses which are borne by the fund.

If the AMC exceeds the return earned, the fund will go down in value. In general the AMC is taken by the deduction each day of 1/365th of the applicable AMC, from the relevant unit-linked fund.

This differs slightly for With-Profits and PruFund. The annual charge is already taken into account when we calculate the bonus rates for the PAC With-Profits range of funds. For the PruFund range of funds, the AMC is taken by the monthly cancellation of units from each investment.

### Further costs

In addition to our annual charges, there may be further costs incurred. Where these are applicable, they’re paid for by the fund and will impact on the overall performance. Some examples of what these further costs might include are shown below. These aren’t listed in order of importance, they won’t necessarily apply to all funds, and this isn’t an exhaustive list.

<table>
<thead>
<tr>
<th>Name</th>
<th>What this means</th>
<th>Where applicable, are they included in the further costs figures we show in this fund guide and/or illustration?</th>
<th>If they’re applicable, then where would they appear in a Key Information Document or Investment Option Document?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous fund administration fees and costs</td>
<td>There can be a number of different administration fees and costs associated with funds. These can include, for example, audit fees, custody fees, infrastructure costs, registrar fees, regulatory fees, stock lending fees, and trustee fees.</td>
<td>Yes.</td>
<td>In ‘Other ongoing costs’.</td>
</tr>
<tr>
<td>Performance fees</td>
<td>In some funds the fund managers are paid a fee depending on how they perform.</td>
<td>No, but if they’re applicable they will impact on the performance of a fund.</td>
<td>In ‘Performance fees’.</td>
</tr>
<tr>
<td>Property expenses</td>
<td>For funds that invest in property, either directly (i.e. the fund owning physical property) or indirectly (i.e. owning units in a property fund or shares in a property company) there are costs incurred for managing these properties. These can include costs for development, maintenance, oversight and renovation of the properties held, collecting rents, and managing tenants, as well as running costs that cannot be passed onto tenants.</td>
<td>Yes.</td>
<td>In ‘Other ongoing costs’.</td>
</tr>
<tr>
<td>Transaction costs</td>
<td>When a fund manager trades the investments in a fund (for example, makes a decision to sell one holding and buy another) there are associated costs, for example taxes.</td>
<td>No, but if they’re applicable they will impact on the performance of a fund.</td>
<td>In ‘Portfolio transaction costs’.</td>
</tr>
</tbody>
</table>

Further costs might be incurred by a Prudential International fund or, where it’s applicable, any fund our fund invests in.
Investments in the Prudential Assurance Company (PAC) PruFund Range of Funds are backed by assets in the With-Profits Fund of The Prudential Assurance Company Ltd, through a reinsurance agreement. These funds aim to protect investors against some of the extreme highs and lows of investment performance using ‘smoothing’ mechanisms. But there are significant differences in the way this is done for PAC With-Profits Range of Funds and for the PruFund Range of Funds. Please refer to ‘Your guide to investing in With-Profits’ and ‘Your guide to investing in the PruFund range of funds’ for more information.

**PruFund Guarantee Charge (PruFund Protected Funds only)**

If you invest in the PruFund Protected Funds, a charge for the provision of the PruFund Guarantee is taken by unit cancellation on a monthly in arrears basis from the units allocated to the PruFund Protected Fund account. The charge may vary between the different funds and the level of charge is shown below.

<table>
<thead>
<tr>
<th>Charge for PruFund Guarantee per annum (%)</th>
<th>PruFund Protected Cautious Fund (Euro, Sterling, US Dollar)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantee term</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>suspended</td>
</tr>
</tbody>
</table>

**Further information**

If you’re looking for more information please speak to your financial adviser.
Funds that are only available to existing investors

As these funds are no longer available to new investors an Investment Option Document is not produced. Instead information is included here that can help you with an investment decision that you wish to make.

1) Potential reward and risk

Investing is about balancing the risk you’re comfortable with alongside the potential rewards that you want to achieve. Your attitude to investment risk is personal to you and may change in the future.

Prudential International rate the potential reward and risk of the funds on the following pages on a scale from A (the lowest) to F (the highest).

Some key things to think about:

- These potential reward and risk indicators are not the same as the information provided in Investment Options Documents and so it’s not appropriate to compare directly.
- We’ve developed these risk rating categories to help provide an indication of the potential level of reward and risk that’s attributable to a fund based on the type of assets which may be held within the fund.
- These risk rating categories shouldn’t be considered generic to the fund management industry as other companies might use different descriptions.
- We regularly review these risk rating categories and so they might change in the future.
- Where a risk rating is amended as a result of a material change in our view of the level of risk for the fund, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we’ll provide information on the new risk rating.
- The value of your investment can go down as well as up so you might get back less than you put in.
- We strongly recommend that before making any fund choice you ensure you understand the appropriate risk ratings. You’ll find this information in our fund guides, along with further information, at prudential-international.com/es-en-customer/ipb/funds/.

For details of material fund changes please visit pru.co.uk/funds/fund-changes/piafundupdates. Information is normally shown for one year.

You should think about discussing any decision with your financial adviser.

It’s important to also note that your financial adviser may make their own assessment of the risk rating of funds when thinking about your needs and objectives, and this may differ from Prudential International’s own internal assessment.

The information included in this guide is correct as at 30 June 2019 unless another date is shown.
Funds that are only available to existing investors in the product

Access to the Prudential PAC Euro, PAC Sterling and PAC US Dollar With-Profits Funds is no longer available to new customers investing in International Prudence Bond (Spain) on or after 11/09/2017. But if you’re an existing customer pre 11/09/2017, you’ll still be able to top up or switch into the Prudential With-Profits PAC Euro, PAC Sterling and PAC US Dollar Funds.

<table>
<thead>
<tr>
<th>Potential Reward and Risk Indicator</th>
<th>Annual Management Charge (%)</th>
<th>Further Costs (%)</th>
<th>Yearly Total (%)</th>
<th>Equity</th>
<th>Fixed Interest</th>
<th>Property</th>
<th>Currency</th>
<th>Smaller Companies and Developing Markets</th>
<th>Financial Instruments</th>
<th>Alternative Investments</th>
<th>Other</th>
<th>Can existing investors in the product top-up</th>
<th>Can existing investors in the product switch in</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAC Euro With-Profits Fund</td>
<td>C</td>
<td>1.20</td>
<td>0.21</td>
<td>1.41</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Objective: The fund aims to maximise growth over the medium to long term while helping to smooth the peaks and troughs of investment performance.</td>
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<tr>
<td>Fund Investments: The fund currently invests in European and international equities, property, fixed interest securities, index-linked securities and other specialist investments.</td>
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<tr>
<td>PAC Sterling With-Profits Fund</td>
<td>C</td>
<td>1.20</td>
<td>0.24</td>
<td>1.44</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Objective: The fund aims to maximise growth over the medium to long term while helping to smooth the peaks and troughs of investment performance.</td>
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<tr>
<td>Fund Investments: The fund currently invests in UK and international equities, property, fixed interest securities, index-linked securities and other specialist investments.</td>
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<td></td>
</tr>
<tr>
<td>PAC US Dollar With-Profits Fund</td>
<td>C</td>
<td>1.20</td>
<td>0.10</td>
<td>1.30</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Objective: The fund aims to maximise growth over the medium to long term while helping to smooth the peaks and troughs of investment performance.</td>
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<tr>
<td>Fund investments: The fund currently invests in US and international equities, property, fixed interest securities, index-linked securities and other specialist investments.</td>
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</table>
Some useful investment terms

You should read this section to find out what some of the more technical terms in this guide mean. We've included this information in case there's wording that you're unsure of.

This is a high-level guide to some useful investment terms. It's not meant to cover every term you may come across. Please speak to your financial adviser if you need help or want to know more about terms used around investments.

**“Blue Chip” Companies**
Companies which are large, and considered to be reputable and financially sound.

**Bonds (and Fixed Interest Securities)**
All bonds are really just IOUs that promise to pay an amount of money on a specified date and pay a fixed rate of interest along the way. Companies and governments can issue bonds, when they want to raise money. Bonds issued by companies are called corporate bonds. Bonds issued by the UK government are called gilts and those issued by the US government are called treasury bonds.

**Collective Investment Schemes**
A way of pooling investment with others within a single investment fund. Once you’ve joined the scheme, you can have access to a wider range of investments than if you were investing individually. You’ll also share the costs and benefits. Collective Investment Schemes, OEICs, Unit Trusts, Mutual funds, usually either target investments in geographic regions (like emerging market countries) or specific themes (like technology or property).

**Corporate Bonds**
Loans to companies where the buyer of the corporate bond lends money in return for regular interest payments and the promise that the initial sum will be repaid on a specified later date.

**Derivatives**
These refer to products such as futures and options which are generally an arrangement between different parties to buy or sell a standard quantity of a specified asset on a fixed future date at a price agreed today.

**Equities**
Equities are also known as shares or stocks. They are a share of the ownership of a company. Shares have two potential benefits. Firstly, the share price goes up as the value of the company goes up. Also, regular payments, called dividends, may be made to the owner of the share. These are based on how well the company is doing.

**Financial Times Stock Exchange (FTSE)**
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**Floating Rate Notes**
Short-term loans to financial companies, such as banks. The investor receives interest payments, and at the end of an agreed period the company has to repay the loan. The interest payment rates are linked to a specified “floating” rate, usually the London Interbank Offered Rate (LIBOR). This means that interest rate payments may go up or down.
Some useful investment terms - continued

**Government Bonds**
Loans to the government where the buyer of the government bond lends money to the government. In return, they get regular interest payments and the promise that the initial sum will be repaid on a specified later date.

**Hedging**
A way of trying to reduce or limit risk. Hedging involves making a deal in one market in order to try to protect against possible losses in another.

**Index-Linked Securities**
Are similar to fixed interest securities but the payments to the investor are normally increased in line with a measure of inflation.

**Investment Grade**
An agency (e.g. Standard and Poors) can give a rating to a corporate or government bond. The rating indicates the agency believes that the bond issuer has a relatively low risk of not paying what it owes the buyer of the bond. Bonds with credit ratings of AAA, AA, A or BBB are considered investment grade. Low rated bonds with ratings of BB or below are often called Junk Bonds.

**LIBOR (London Interbank Offered Rate)**
The interest rate that London banks charge when they lend money to each other over a short period of time. It’s often used as a benchmark by companies like banks when setting other short term interest rates.

**Money Market Investments**
These are cash and investments similar to cash such as bank deposits, certificates of deposits, fixed interest securities or floating rate notes. They usually have a life of less than a year.

**OEIC**
An open collective investment scheme. Like all such schemes, an OEIC has no fixed amount of capital. The total value of the OEIC is equally divided into shares which will vary in price and in the number issued. When you invest new money, new shares or units are created to match the share price. When you take money out (redeem your shares), the assets are sold at the share price.

**Preference Shares (also called Preferred Stock or Preferred Shares)**
Shares in a company which give their holders a right to a fixed dividend payment. Some carry voting rights.

If you hold preference shares, you may get preferential treatment over common shareholders. You’ll get a dividend before them and, in the event of bankruptcy, you’ll be paid from company assets before common shareholders (but after debt holders).

**Shares**
See Equities.

**Smaller Companies**
Companies that you can find on a recognised exchange that have lower value than blue chip companies. In the UK, smaller companies are usually defined as those with market values below the top 350 companies in the FTSE All Share Index.

**Undertakings for Collective Investment in Transferable Securities (UCITS)**
Collective investments, such as OEICs and SICAVs, which can be sold across national borders within the EU.

**Units / Unit Linked**
Unit linked funds are divided into units and the investors hold a number of units representing the money they have invested. The price of units changes daily to reflect the value of the assets held in the fund and so the investor’s fund value at any point depends on the price of the units.
The registered office of Prudential International is in Ireland at Montague House, Adelaide Road, Dublin 2. Prudential International is a marketing name of Prudential International Assurance plc. Registration No. 209956. Telephone number + 353 1 476 5000. If the Company should become unable to meet its liabilities, the Financial Services Compensation Scheme will protect eligible policyholders habitually resident in the UK when their contract starts, with effect from 1 December 2001. This protection does not extend to externally-linked investments. Prudential International Assurance plc is authorised by the Central Bank of Ireland and is subject to limited regulation by the Financial Conduct Authority for UK business. Details on the extent of our regulation by the Financial Conduct Authority are available from us on request.