

PGIM Limited

Strategic Report for the Year Ended 31 December 2023

The Directors have a regard to the matters as set out in section 172(1) of the Companies Act 2016 (CA 2016) as detailed below. Sections 465 to 467 of CA 2016 do allow for certain exemptions from this disclosure on the basis of size or materiality, however the Company is excluded from benefiting from these exemptions on the basis that it forms part of an ineligible group, that is a group which, amongst other criteria, contains a MiFID investment Firm or UCITS management company.

(a) The likely consequences of any decision in the long term

The Directors regularly assess the Company's strategy from both a commercial and risk perspective to ensure the long term consequences of any strategic decision are understood and taken into account.

The Directors are mindful of the environmental and social impact of the long term decisions made within the Company and to support the management of the Company with its Environmental and Social Governance, a Group Global Head of ESG is based in the London offices.

The Directors have been able to continue to pursue their long term strategic goals in 2023. Within this context, PGIML repaid loans of £37.0m (€43.0m) in 2023 to PGIM Foreign Investments, Inc. from the proceeds of the disposal of investments.

Following engagement with the Company's immediate parent, PGIM Financial Limited, the Directors approved the payment of an interim dividend of £30.0m in 2023 (2022: £30.0m).

The net assets of the Company as at 31 December 2023 are £123.3m (2022: £114.8m).

(b) The interests of the Company's employees

The Company views its employees as fundamental to the success of the business. The Directors take active steps to ensure that the suggestions, views and interests of the workforce are captured and considered in their decision-making.

The Group operates a hybrid working model with the vast majority of employees in the office at least 2/3 days per week, dependent on role. The Group has continued to focus on employee wellbeing and has a number support programs and initiatives. These include:

- Expanding PGIM's Wellbeing at work initiative - wellbeing ambassadors, virtual events with guest speakers, promotion of a health & wellbeing app (Ondo), introduction of a regular Wellness Walk;
- Certified Mental Health First Aiders as part of a global mental health Champion initiative
- Subscription to mindfulness application;
- Menopause support program;
- Global inclusion groups;
- Regular European DEI newsletter to share information with employees and ensure transparency, and
- Communications about support programs.

The Group also has a number of effective workforce engagement mechanisms in place.

(i) Employees are kept informed of Group performance and provided with relevant business updates through regular company-wide Town Halls from the management team as well as regular business briefings. Regular announcements and video blog updates by senior management are also made available on the intranet site.

(ii) There is an annual performance management process for all employees that provides a forum for feedback by individuals, peers and managers.

(iii) The Head of HR EMEA is a director of the Company, and regularly provides updates on employee-related matters, including workforce demographics, engagement activities, the results of employee surveys, staff retention rates, diversity & inclusion, pay and reward and HR initiatives.

(iv) In order to ensure that the Group continues to retain, develop and attract talent, the Group has a competitive reward structure in place, which provides a wide range of benefits covering health and well-being, lifestyle and family. The Group reviews and enhances its benefits packages on an ongoing basis and seeks input from employees to better accommodate their personal circumstances and needs.

(v) The employees are supported and encouraged to leverage the resources of the PGIM global network. On-going on the job training as well as online or in person training is provided to support individual professional development.

(vi) All employees are asked to participate in an online Global Employee Engagement Survey annually. The results are communicated to senior management who are committed to act on the feedback and this helps inform and improve subsequent HR initiatives.

(c) The need to foster the Company's business relationships with suppliers, customers and other stakeholders

The Company works to foster positive business relationships with suppliers, customers and other stakeholders. Relationships with customers are governed by written contracts to ensure transparency and clarity of expectation of performance.

The Company has established good working relationships with its suppliers and seeks to ensure a responsible payment culture, with the publishing for the Group of its Business Payment practices and Performance reporting on the Companies' House website. Following a review of the Modern Slavery Act, the Company has engaged with its suppliers to ensure mutual compliance.

The Company maintains good performance payment practices ensuring that suppliers continued to be paid in a timely manner. The Company has not experienced an increase in the aging of its receivables and has not taken advantage of any government financial assistance offered as a result of the pandemic.

(d) The impact of the Company's operations on the community and the environment

The Company encourages its employees to contribute to the community in which the Company operates by offering the opportunity to take part in local charity and volunteering initiatives. The Company seeks where possible to minimize its impact on the environment and

has, to support this aim, developed in-house initiatives, such as an internal recycling scheme for office waste and the provision of employee cycle racks.

The Company's Grand Building offices uses 100% renewable energy for its electricity supply.

(e) The desirability of the Company maintaining a reputation for high standards of business conduct

There is worldwide engagement with employees regarding individual conduct and the high standards of ethics and integrity expected of employees is outlined in Prudential's Code of Conduct "Making the Right Choices". The Code of Conduct is supported by ongoing training and annual re-certification.

(f) The need to act fairly as between members of the Company

The Company is a private limited company with a sole shareholder.