



DIVERSITY, EQUITY & INCLUSION

A Strategy for Impact

PGIM, the investment management business of Prudential Financial, Inc., has a long-held commitment to advancing diversity, equity and inclusion, rooted in the belief that this is not just the right thing to do, but is a prerequisite for PGIM's success and sustainability.

Our DEI strategy is championed by the chief executive officer of each PGIM business, and permeates each department and team, across every level of talent. This work is spearheaded by an in-house team of experts in the PGIM Global Office of Diversity, Equity & Inclusion (DEI) that was established over a decade ago, as one of PGIM's first executive functions.

While our commitment to DEI over the past 10 years has been unwavering, our focus continues to evolve to meet the changing needs of our times. Our DEI strategy is centered on five areas of impact: talent, culture, industry, investing and community.

OUR FOCUS

PGIM strives to have a fully inclusive and equitable workplace, with a workforce that reflects the communities where we work and invest. We believe a diverse team, working in an inclusive environment, drives the best outcomes for our clients. As a leading asset manager with a global footprint, we also leverage our reach to advance social justice and equity. We believe in the power of transparency and accountability, and we apply a rigorous framework to measure and track our progress.

- In 2018, we committed to a "5-over-5" goal to increase diverse representation at the senior-most levels of PGIM by 5% over five years. We have transparently measured this goal and reported on it publicly.
- In 2020, we committed to a 50:50 goal to ensure gender balance in our internship cohort and a greater than 30% makeup of underrepresented groups across our early talent hires.
- In 2021, PGIM launched the Prudential DEI Investment Portfolio with a \$200 million commitment to early-stage, high-performing fund managers with diverse ownership structures in order to increase the flow of underrepresented managers in the investment sector.
- In 2022, we launched Inclusion Counts, a global program to teach and implement inclusive behavior with a goal of at least 70% of PGIM leadership consistently putting newly learned inclusive behaviors into practice annually.
- In 2023, we deepened our commitment to inclusion across the globe by becoming a founding signatory to the CFA Institute DEI Code in the UK and a signatory to Ireland's Women in Finance Charter.

Through the advocacy of senior leaders, the expansion of our global culture initiatives, and a growing network of external partners, we are tracking to meet these goals.

FIVE AREAS OF IMPACT



TALENT

ATTRACT, DEVELOP, PROMOTE AND RETAIN TALENT AT ALL LEVELS

Our work as a global asset manager is entirely dependent on a skilled and diverse workforce. With a deliberate and intentional approach, we work to attract, retain, develop and promote talent at all levels and aim to have a workforce that reflects the communities where we work, live and invest. Through inclusive talent practices, we create equitable access to promotions and development opportunities. Our recruitment efforts focus not on the lack of quality or quantity of talent, but on the need to dismantle barriers and elevate awareness about our industry among underrepresented groups. We recognize that dispelling misconceptions is key to creating a welcoming space for everyone in this field. Our commitment extends to changing the perception of groups that may not envision their place in this industry, empowering them to redefine their narrative.

We are a founding member of Girls Who Invest, an organization that has graduated 2,500 women into investment management careers, and also partner with a curated set of global and regional diversity organizations, including Sponsorship for Educational Opportunity (SEO), Management Leadership for Tomorrow (MLT), 10K Black Interns, Modern Guild, and BLK Capital Management to bring the best and brightest into PGIM.

From the moment people join PGIM—whether as an intern, an entry-level analyst, a work-placement program hire, or as an experienced employee—we pledge to help them unlock their full potential. Our comprehensive benefits and development programs are designed to empower all employees, featuring targeted initiatives that ensure equitable progression. Together, we are shaping a future where talent knows no boundaries.

Spotlight: Ron Andrews Diversity Scholarship

In 2020, PGIM founded the Ron Andrews Diversity Scholarship Program to help advance the diversity of the asset management industry. The program is open to any student with financial need that accepts a PGIM Summer Internship and identifies as a member of an underrepresented group. Our paid internships and scholarship program are designed to provide equitable access to the career mobilizing power of an internship and build a diverse bench of future leaders. The Ron Andrews Diversity Scholarship is a gateway to a future where unique perspectives are not only welcomed, but essential.



CULTURE

CREATE A PLACE WHERE ALL TALENT CAN THRIVE

Diversity of perspectives enables us to make the best decisions for our clients. We invest in inclusion and we are intentional about creating a workplace where everyone has a voice and is welcomed, valued, respected and understood. Having a diverse workforce alone isn't sufficient—employees need to be empowered, have a sense of belonging and feel safe to engage in conversations about the potential effect of unconscious bias and how to mitigate it to fully contribute.

We work to create and sustain a culture of inclusion by providing our leaders with skills, training and experiential opportunities needed to practice inclusive leadership. In our offices in the Americas, Asia and Europe, we build community and belonging by lifting and empowering voices of employees from underrepresented communities, and we inspire allyship and connection through affinity months and diversity celebrations. Additionally, an expansive Prudential network of [employee-led business resource groups](#) increases visibility and engagement to create a culture of inclusion by offering employees regular opportunities to recognize and embrace our differences, learn and connect.

Established in 2019, our Inclusion Council comprises CEOs from each PGIM business who play an active role in listening to our people, responding with equitable solutions, and driving progress via transparent reporting and accountability for results. In 2020, we formed the Black and Latine Executive Leadership teams to serve as key advisors to PGIM CEOs and in the creation of PGIM's Racial Equity Commitments. Our LGBTQ+ Think Tank was launched in 2021 and identifies opportunities to highlight LGBTQ+ voices across the company and creates a platform to share, educate and continue to foster a safe environment. Our global Women's Advisory Council composed of senior women leaders and portfolio managers sponsors and develops junior-level employees, educates women externally on careers in asset management, and serves as brand ambassadors for the firm.

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Spotlight: Inclusion Counts

In 2022, we launched the culture change program Inclusion Counts to build the skills and mindset needed for inclusion to be a “way of being” at PGIM. Through this multiyear global initiative, we equip leaders with tools and behaviors to ensure their employees have a voice. We educate employees about the effects of unconscious bias on decision-making and provide mitigation strategies. We provide sustainment materials and measure how inclusive behaviors are implemented, creating accountability among managers to measure the inclusivity of their team culture and their own behaviors.



INDUSTRY

BE A RECOGNIZED AGENT OF CHANGE IN THE DRIVE TOWARD A MORE EQUITABLE ASSET MANAGEMENT INDUSTRY

The asset management industry stands at the intersection of capital, communities and households. We recognize the significant impact of our investment decisions on people and society, which is why diversity of thought is critical to equitable and accessible investment solutions. This is also why we participate, and actively engage with our peers, in the effort to create a more diverse and inclusive industry.

We strive to dismantle barriers to entry, transform and standardize the way DEI progress is measured, and empower and develop the next generation of leaders—at PGIM and in the industry in general. In 2022, to provide students from historically Black colleges and universities (HBCUs) with real-world investing experience, we established a program to create and maintain the support of student-run investment funds at two leading HBCUs—Florida A&M University and Hampton University—along with support and training, as well as scholarships for HBCU students to increase education affordability. We believe this initiative will help to funnel more incredible talent into the industry. We became a founding signatory to the CFA Institute DEI Code in the USA and Canada in 2022 and in the UK in 2023, and we are currently working with the CFA to craft and roll out an equivalent DEI Code across Europe. We also continue to drive change by consulting with and informing regulators, advising appropriate action through our responses (either independently or in conjunction with industry associations) to regulatory and government calls for evidence / information.

Financial news media paints a gender-imbalanced picture of our industry that can prevent women from envisioning a career in asset management, leading to less diversity of thought and skill within teams. In 2019, PGIM launched Diverse Voices, a multifaceted program dedicated to boosting gender diversity among our bench of spokespeople via a media engagement training program in an effort to rigorously boost representation in internal and external events.

Spotlight: Lenox Park Solutions

PGIM is a founding partner of Lenox Park Solutions, an organization building consistent DEI reporting tools for the asset management industry and helping to eliminate bias from capital allocation decisions. Through this work, we are collaborating with major industry allocators to develop a methodology for comparing the impact of DEI practices and establishing the first industry standards for how to transparently measure a diverse and inclusive environment.



INVESTING

DEPLOY CAPITAL TO INVESTMENTS THAT ADVANCE EQUITY AND SOCIAL JUSTICE, WHILE REMAINING TRUE TO OUR FIDUCIARY RESPONSIBILITIES

The investment industry possesses enormous potential to direct much-needed capital and market intelligence to the most pressing socioeconomic challenges faced in our society, including access to education, affordable housing and investment capital. Given PGIM’s global footprint and expertise, we have the capabilities to work with clients who desire to allocate capital in a way that drives positive socioeconomic impact.

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With a 50-year track record in sustainable and responsible investing, PGIM Real Estate oversees a \$1 billion Impact and Responsible Investing portfolio that leverages the strengths of our firm as an asset manager to invest in high-return and impact-oriented opportunities in the real estate sector. By seeking out scalable investments in the areas of financial inclusion, education and workforce development and sustainability—areas that serve the Prudential General Account (GA) and third-party client priorities—our team is able to generate both equitable and profitable outcomes within this portfolio.

Similarly, as an asset manager committed to equity in accessing capital in the investment sector, the Prudential DEI Investment Portfolio invests in high-performing early-stage fund managers in alternatives that are owned by those whose backgrounds and experiences are underrepresented in the asset management industry. By investing in successful early-stage funds, we gain access to potentially high quality managers with whom we can scale our investments through other platforms within the Prudential General Account including the \$1.9 billion Progress Portfolio, where underrepresented managers have been shown to be top-quartile performers in their returns relative to benchmarks over the short and long term.

As an active manager, we believe environmental, social and governance (ESG) is an integral part of our operations and investment process and integrate relevant and material factors into them. ESG provides a critical lens for identifying investment opportunities arising from the efforts to decarbonize and protect the sustainability of our world's natural resources, as well as from societal shifts toward goals like more sustainable consumption, health and wellness, and gender equality. We bring expertise to help our clients understand how ESG factors, including those related to DEI, can provide superior risk management, and serve as a driver for better investment outcomes and returns. We have developed tools, products and capabilities to enable us to support clients who wish to allocate capital to achieve their desired social or environmental goals.

Spotlight: DEI Investment Portfolio

To provide equity of opportunity for segments that often face challenges in the fundraising process, through the PGIM DEI Investment Portfolio, we made a \$200 million long-term commitment to high-performing, early-stage fund managers whose backgrounds and experiences are underrepresented in the industry. These investments focus particularly on those raising capital for first or second funds.

By providing intellectual and financial capital, and serving as an advocate for this segment, we seek to break down the structural barriers that prevent teams led by underrepresented fund managers from raising capital. Top-performing funds will graduate into the Progress Portfolio, ultimately maximizing returns for the Prudential GA. This commitment was made over a decade ago with the formation of an Emerging Managers Program, which has been recently repositioned as the DEI Portfolio.



COMMUNITY

ENGAGE OUR WIDER COMMUNITY TO PROMOTE SOCIAL JUSTICE AND EQUALITY

Given our size and scale, we have a responsibility to leverage our reach and advance social justice and equity more broadly. We invest intellectual capital to help reduce the racial wealth gap. We care about and support the global communities in which we operate, combining the aspirations of our employees and clients with meaningful firmwide projects that leave a lasting impact on our world.

We partner with dozens of community organizations globally, whose work spans education and job readiness, food security and healthcare. We seek out opportunities for our employees to volunteer their time and skills to support these organizations in a meaningful way. Our generous employee match platform, PruCares, matches employee donations of up to \$5,000 annually to over thousands of nonprofit organizations globally. Employees can also earn up to \$500 in volunteer grants for eligible nonprofits by recording their volunteer hours. Through The Prudential Foundation and corporate contributions, we've made more than \$850 million in grants and corporate contributions to nonprofit organizations since the foundation's inception 45 years ago, helping more people create a more secure future.

We have a multiyear, multifaceted partnership with YouthBuild International, an organization that prepares and empowers opportunity youth to make a positive impact in their community through service and leadership. We drive outcomes through financial contributions and by partnering the skills and expertise of PGIM employees to over 75 projects globally.

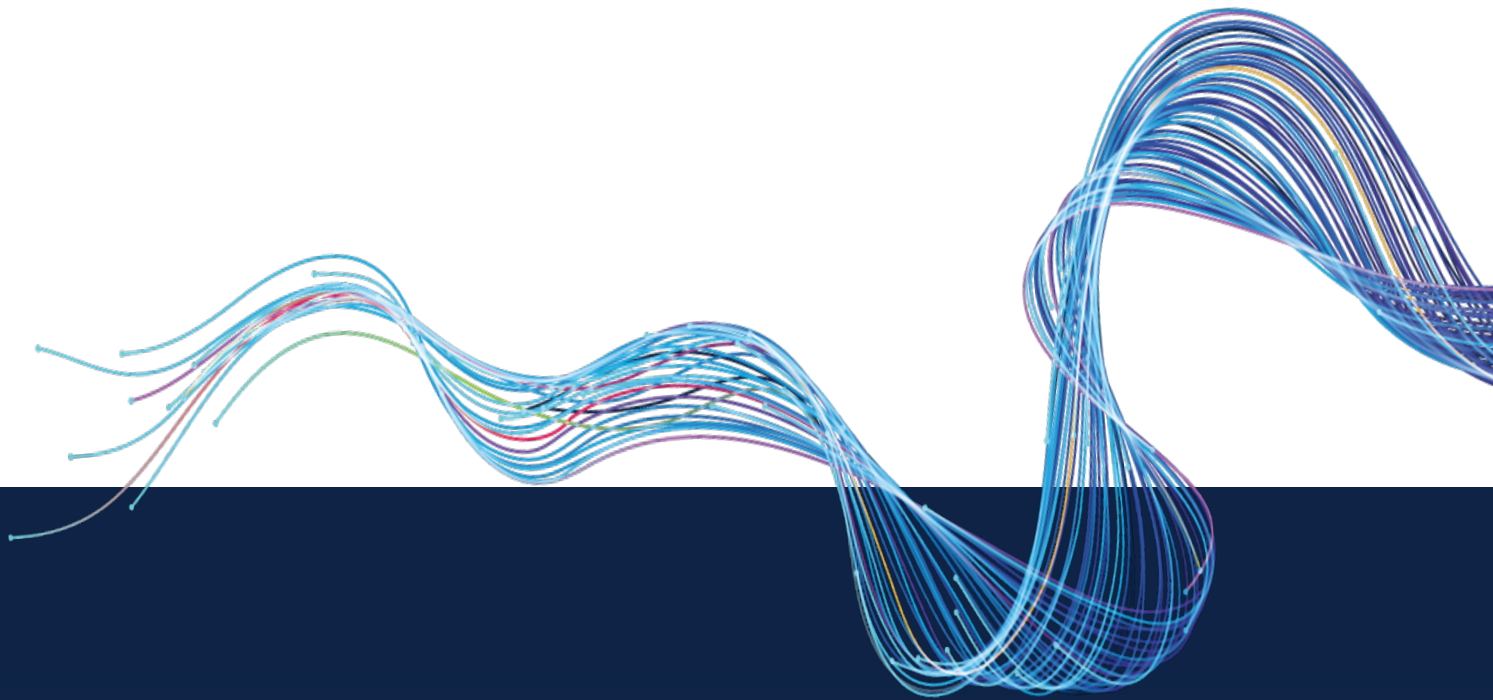
FIVE AREAS OF IMPACT

As part of our diversity events and affinity month celebrations, we work with local minority-owned businesses, vendors and artists. To find suppliers, we reach out to the diverse business community in a variety of ways, particularly through our memberships in prominent [supplier diversity organizations](#).

Spotlight: HBCU Investment Strategies

HBCUs provide a path to high quality education, lucrative careers and economic mobility for Black students, thereby reducing the racial wealth gap. Yet HBCUs have long faced disadvantages in raising funds and creating robust endowments to sustainably support their students compared to their peer institutions across the country.

In 2022, we launched an initiative to provide investment management education and training for select HBCU decision-makers that manage endowments to support their work as stewards. In 2024, in partnership with United Negro College Fund (UNCF), we published a study that explores the systemic challenges facing HBCUs in accumulating substantial endowments. With this research, we aim to galvanize asset managers to engage in critical conversations about how our industry can help level the playing field for HBCU endowments.



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