

## Country-by-Country Report for PGIM Financial Limited (the 'schedule')

PGIM Financial Limited Group's (the 'Group') principal operations are in the UK however a subsidiary of the Group, PGIM Private Capital (Ireland) Limited, has representative offices in Germany, France, Italy and Spain. PGIM Limited also has representative offices in Germany and Switzerland. The Group has further subsidiaries in Luxembourg, the Netherlands, Ireland and Jersey. In accordance with Article 89 of the Capital Requirements Directive (2013/36/EU), a geographical analysis of the Group's operations is outlined below.

Location	United Kingdom	Germany	France	Italy	Netherlands	Luxembourg	Ireland	Switzerland	Spain
Nature of activities	Investment management and investment origination	Investment origination and sourcing	Investment origination and sourcing	Investment origination and sourcing services	Investment management	Administration Services	Investment Management and investment origination	Marketing	Investment origination and sourcing
Revenue (£m)	227.2	4.3	3.1	1.8	22.3	0.3	4.0	3.0	1.2
Number of employees	289	10	5	4	6	-	-	5	1
Profit / (loss) before tax (£m)	43.8	0.5	0.4	0.3	0.5	0.2	0.1	0.3	0.1
Taxes paid in the year (£m)	10.6	0.3	0.1	0.1	-	0.1	0.1	0.1	-
Public subsidies received	-	-	-	-	-	-	-	-	-

All consolidation adjustments relate to United Kingdom activities and are included in the United Kingdom amounts above accordingly.

In the United Kingdom, the effective tax rate is lower than the standard rate of corporation tax. The effective tax rate results from the Group utilising brought forward tax losses and using Group relief which is surrendered from affiliated companies from outside of PGIM Financial Limited's Group. Additionally, the taxable profits will differ from the reported profits as the taxable profits are adjusted both for items that will never be taxable or deductible, and temporary differences.

Location	Activities	Principal legal entities conducting those activities
United Kingdom	Investment management activities	PGIM Limited PGIM Real Estate (UK) Limited PGIM Wadhvani LLP
	Investment origination and sourcing services	PGIM Private Capital Limited
Germany	Investment origination and sourcing services/Marketing	PGIM Netherlands B.V. (German branch) PGIM Private Capital (Ireland) Limited (German branch) PGIM Limited (German branch) - closed in November 2020
France	Investment origination and sourcing services	PGIM Private Capital (Ireland) Limited (French branch)
Italy	Investment origination and sourcing services	PGIM Private Capital (Ireland) Limited (Italian branch)
Netherlands	Investment management activities	PGIM Netherlands B.V.
Luxembourg	Administration services	PGIM Real Estate CD Sarl
Ireland	Investment management activities	Pramerica Fixed Income Funds Management Limited
	Investment management activities	PGIM Private Capital (Ireland) Limited
Spain	Investment origination and sourcing services	PGIM Private Capital (Ireland) Limited (Spanish branch)
Switzerland	Marketing	PGIM Limited (Switzerland representative office)

PGIM Financial Limited, the Group parent company, is a UK company and provides administrative services to the Group as a whole including the provision of staff, office facilities and treasury and capital management. The Group includes other UK domiciled special purpose vehicles, principally general partners to limited partnerships, which support the Group's operations above but which are not material, individually, or in aggregate, to the disclosures above.

### Note 1 - Basis of preparation

The analysis is prepared based on amounts reported in the consolidated annual report and financial statements of PGIM Financial Limited as at 31 December 2021. Amounts stated are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and have been prepared on a going concern basis. The consolidated financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of Companies Act 2006 and under the historical cost convention.

### Business Risk

2021 continued to be a challenging time for the Group due to the ongoing global pandemic in respect of COVID-19 and the Russian and Ukrainian conflict and ensuing market volatility. As a result of the pandemic, the UK and other countries have continued to enter in and out of periods of physical and economic lockdown during the year. During this time, the employees of the Group have substantially worked remotely.

The Group has performed an assessment of the actual and potential impact of the deteriorating market conditions of the 2022 expected performance of the Company and note that the actual FVTPL (fair value through profit or loss) impact of the fall in market values of the Company's investments as at 30 September 2022 is £6.5m.

The potential impact of COVID-19 on the cash flows of the Group has also been considered when assessing whether the Group has sufficient liquidity to meet its obligations as they fall due for a period of 12 months from the signing of the financial statement. The Group is profitable, and is forecast to remain profitable for the 12 months following the signing of the accounts. The Group has sufficient cash reserves and access to sources of additional funding to enable it to meet its strategic goals as planned for at least 12 months from signing of the accounts.

As a result of the Russian and Ukrainian conflict, ongoing since 24 February 2022, management performed an assessment of the Group's potential direct and indirect exposure and the potential financial and operational implications of the conflict. The Group does not have employees, offices nor assets situated in Russia or Ukraine. The Group reviewed its relationships with customers and suppliers and did not identify any potential exposure from an operational perspective. As a result, management did not believe the Group had any direct exposure in Russia nor Ukraine as of date of signing of the account. Management continues to monitor the situation.

Management considered indirect exposure to the conflict, in particular the risk of potential further inflationary pressure, and the performance and cash flows of the Group were stressed to include this risk as part of the going concern analysis. As a result, although certain client accounts will be impacted by, among other things, decreased holding valuations of existing positions, creditor default and liquidity of existing clients' positions resulting in potential revenue impact to the Group, management believe the impact of the crisis on the financial performance and operational capacity of the Group not to be material. Management continues to monitor the situation.