



1Q24 INVESTOR UPDATE

Expanding access to investing, insurance, and retirement security

PRUDENTIAL INVESTMENT THESIS

ROCK SOLID

Demonstrated financial strength

DIFFERENTIATED

Thoughtful strategies and mutually reinforcing business system produce a competitive advantage

DISCIPLINED

Positioned for long-term growth

BECOMING A HIGHER GROWTH, MORE CAPITAL EFFICIENT, AND NIMBLE COMPANY

145+ years

of service and commitment to providing insurance protection

\$1.5 trillion

in assets under management supporting diversified businesses⁽¹⁾

50 million

customers in over 50 countries

7%

5-yr Annual Dividends Per Share CAGR⁽²⁾

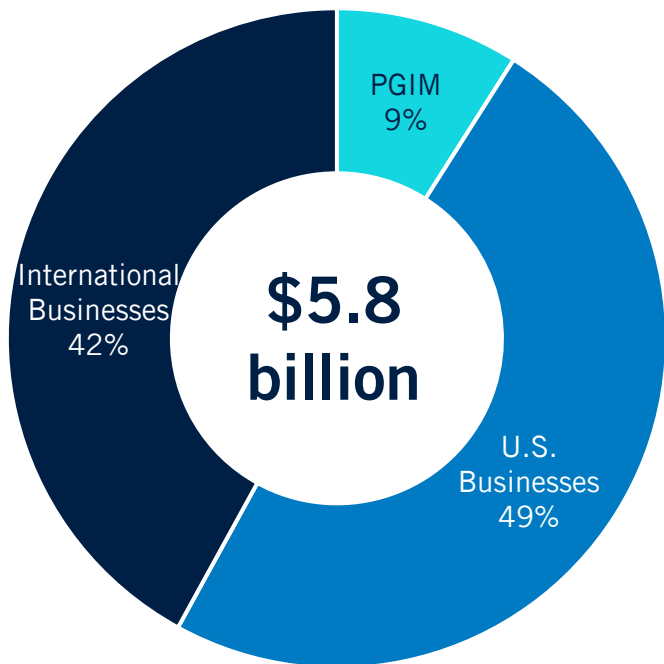


(1) As of March 31, 2024.

(2) From 2018 to 2023; based on annual dividend per share.

INTEGRATED SET OF BUSINESSES AT SCALE WITH LONG-TERM GROWTH POTENTIAL

Earnings Contribution⁽¹⁾



Key Statistics

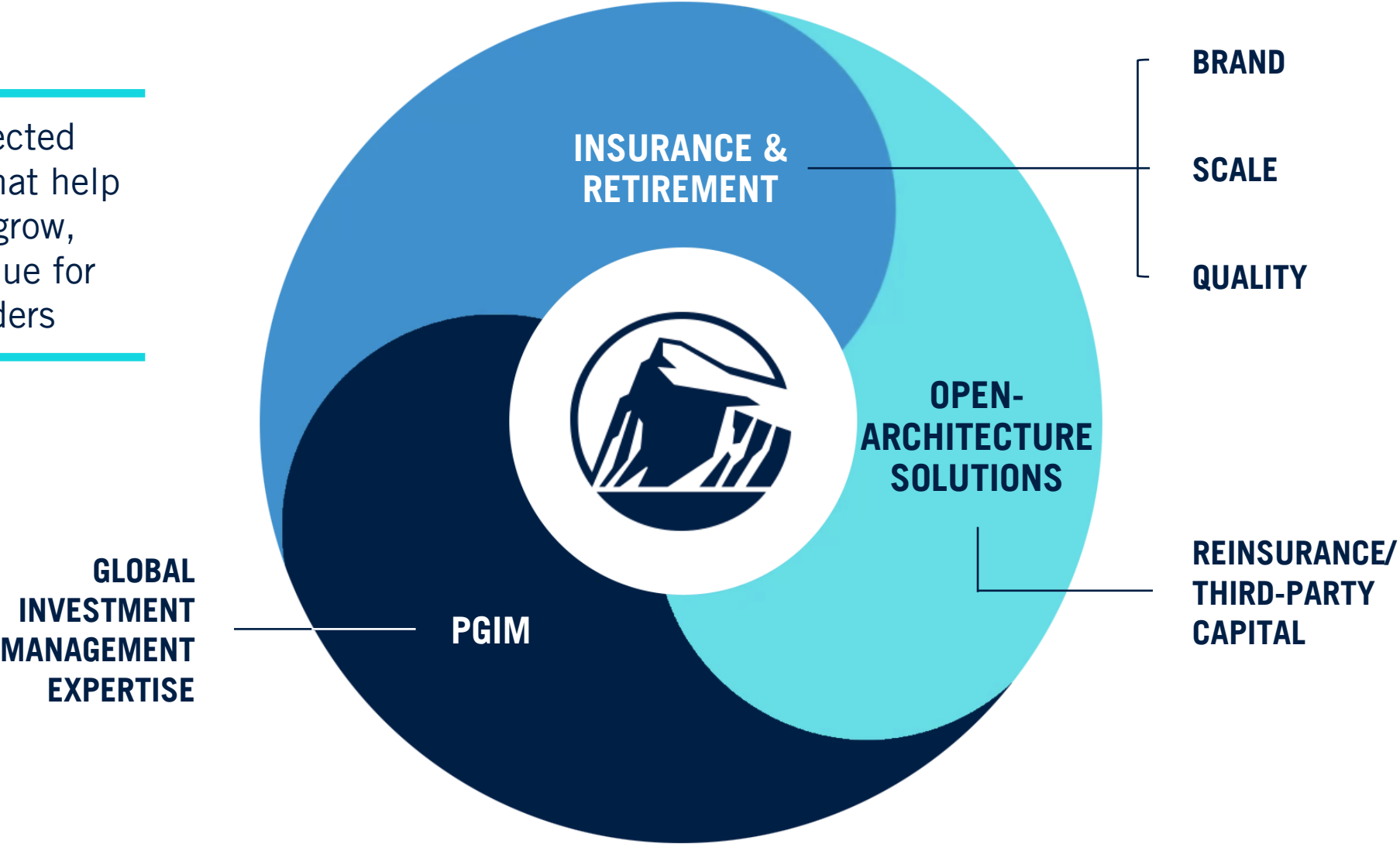
Revenues ⁽²⁾ :	\$57B
Adjusted Book Value Per Share ⁽³⁾ :	\$97.03
Employees ⁽⁴⁾ :	40K+
Adjusted Dividend Yield ⁽⁵⁾ :	5%

(1) Based on last twelve months of pre-tax adjusted operating income through 1Q24. Pie chart percentages exclude Corporate & Other operations loss of \$1,998 million. See reconciliation of non-GAAP measures in Appendix for more information.
(2) Based on last twelve months of revenue on a pre-tax adjusted operating income basis through 1Q24.
(3) As of March 31, 2024. See reconciliation of non-GAAP measures in Appendix for more information.
(4) As of December 31, 2023.
(5) Based on 1Q24 annualized dividend per share divided by adjusted book value per share.



DIFFERENTIATED MUTUALLY REINFORCING BUSINESS SYSTEM

Deeply connected businesses that help one another grow, unlocking value for our shareholders



COMPETITIVE ADVANTAGES SUPPORT STRATEGIC EXECUTION

Leverage our Strengths:

- Leading global asset manager
- Best-in-class liability origination
- Cross-business synergies
- Omni-channel distribution
- Strong brand reputation
- Track record of fulfilling promises



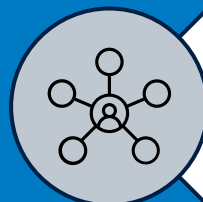
Execute on Strategic Priorities:



Invest in growth businesses and markets around the world



Deliver industry-leading customer and client experiences, blending human touch with advanced technology



Create the next generation of financial solutions to serve the diverse needs of a broader range of customers and clients

BECOMING A HIGHER GROWTH, MORE CAPITAL EFFICIENT, AND NIMBLE COMPANY

Growing our market leading businesses

- PGIM achieved robust third-party and affiliated flows
- Retirement Strategies had the best first quarter of Pension Risk Transfer (PRT) sales and highest Individual sales in over a decade
- Group Insurance and Individual Life sales growth reflects product and segment diversification
- International sales benefit from recent product launches in Japan and expanding distribution in Brazil

Divesting lower growth businesses

- Completed Guaranteed Universal Life reinsurance transaction
- Reached agreement to sell Argentina business
- Decided to exit Assurance business

Strengthening our operating model

- Delivering exceptional sales, service, and claims experiences
- Generating and reinvesting efficiencies to fuel future growth

MAINTAINING DISCIPLINED CAPITAL DEPLOYMENT

Investing in market leading businesses to support growth

Returned over \$700 million to shareholders in 1Q24⁽¹⁾

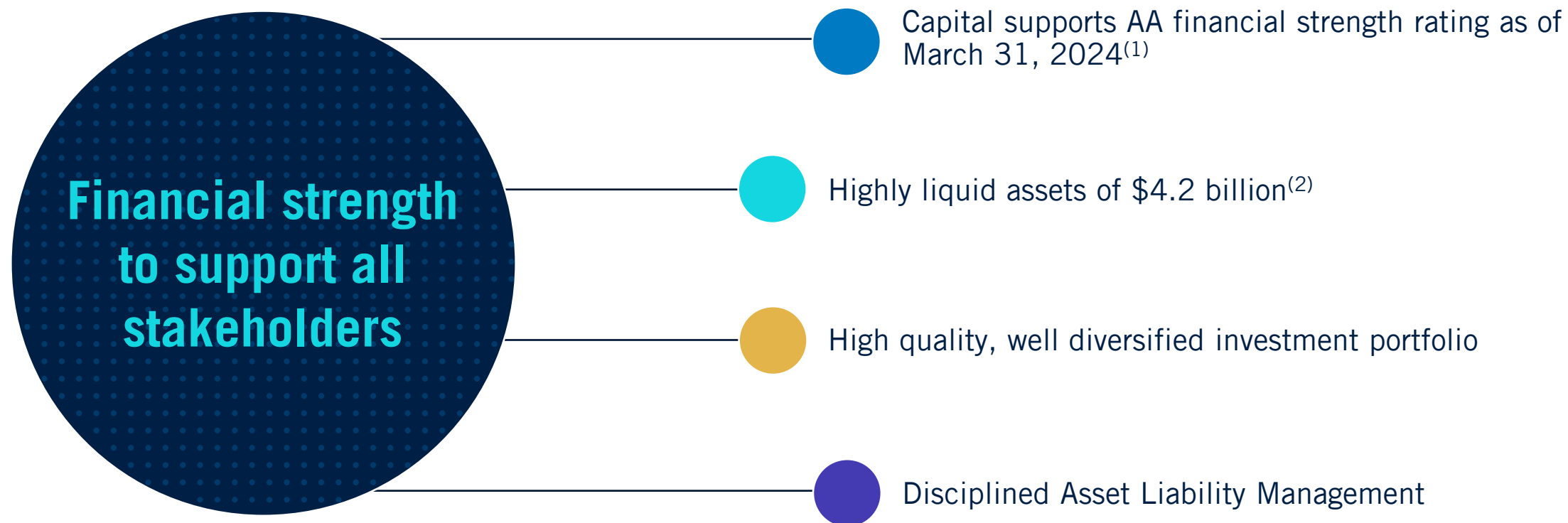
Increased quarterly dividend by 4%, the 16th consecutive annual increase

Creating sustainable, profitable growth and shareholder returns



(1) Capital returned to shareholders in the first quarter of \$726 million includes share repurchases of \$250 million and dividends of \$476 million.

SUPPORTED BY OUR ROCK SOLID BALANCE SHEET



(1) Includes approximately \$48 billion of unrealized insurance margins.

(2) Parent company highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.

CONTINUED COMMITMENT TO LONG-TERM SUSTAINABILITY



(1) First grant in 1978.
(2) As of March 2024. "World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.
(3) As of December 31, 2022.
(4) Net Zero target is based on 2017 baseline year. Prudential's net zero target encompasses a set of home office properties, data centers, and garages in the United States, Japan, and Brazil. Prudential has not calculated whether these facilities represent a material portion of Prudential's total operations. Refer to the "Detailed Emissions Data" section of Prudential's 2022 Sustainability Report for specifics on how our Scope 1 & 2 data were calculated, including notable data exclusions.





ROCK SOLID
DEMONSTRATED
FINANCIAL STRENGTH

ROBUST APPROACH TO CAPITAL & LIQUIDITY MANAGEMENT

Financial Strength

“AA” standards
for capital

Liquidity

Significant resources
available

Risk Appetite Framework

Capitalized to remain
competitive under
stress scenarios

DEMONSTRATED FINANCIAL STRENGTH

	Objectives	Position
Highly Liquid Assets	\$3 to \$5 billion	\$4.2 billion ⁽¹⁾
Regulatory Capital Ratios	Consistent with AA objectives PICA RBC ratio > 375% Japan solvency margin ratios > 700%	Ratios remain in excess of our objectives ⁽²⁾
Off-Balance Sheet Resources		
Resource	Capacity	Maturity Date
Sustainability-Linked Credit Facility	\$4.0 billion	July 2026
Contingent Capital	\$1.5 billion \$1.5 billion	May 2030 February 2033 and 2053
Prudential Holdings of Japan Facility	¥100 billion	September 2024

As of March 31, 2024 unless otherwise noted.

(1) Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.

(2) PICA RBC Ratio is disclosed in annual statutory statement. Japan solvency margin ratios are disclosed quarterly in Prudential’s Form 10-Q/10-K.



PRESERVING BALANCE SHEET STRENGTH, AS WE HAVE DONE FOR 145+ YEARS

Stress Parameters

Equity Market Decline

Pandemic Insurance Shock

Interest Rate Shock

Credit Shock

Currency Shock

Our Toolbox

- Disciplined ALM and hedging
- On-balance sheet capital capacity
- Off-balance sheet resources
 - Credit facilities
 - Contingent capital
- Shift in our product mix
- Ability to adjust product pricing
- Affiliated and external reinsurance
- Prudent management

Outcomes

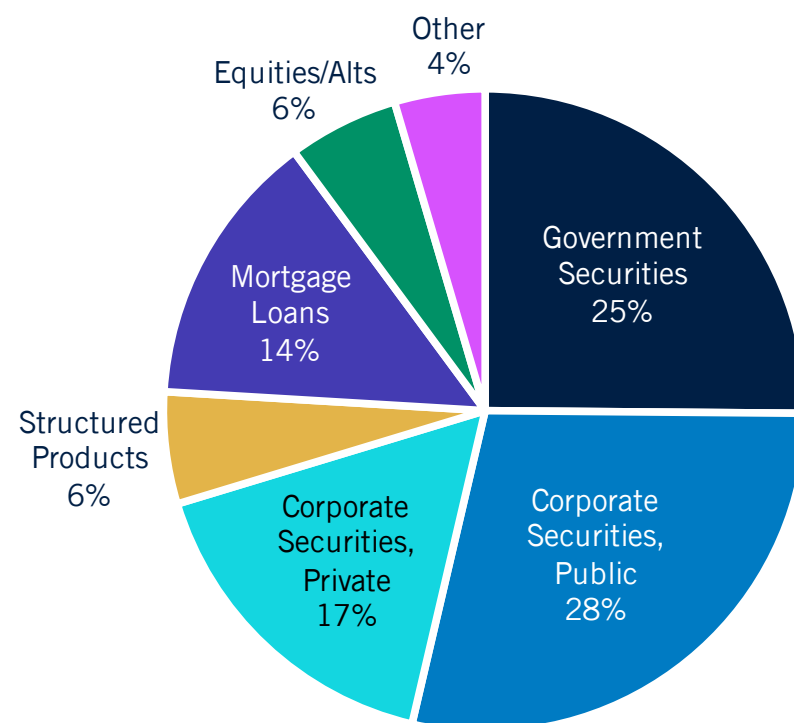
- Maintain appropriate and competitive regulatory capital levels at insurance companies
- Maintain adequate cash position at parent company
- Relatively resilient to equity market and interest rate declines
- Highly effective variable annuity hedging program



BROADLY DIVERSIFIED, HIGH QUALITY INVESTMENT PORTFOLIO

Portfolio Composition⁽¹⁾

\$365 billion



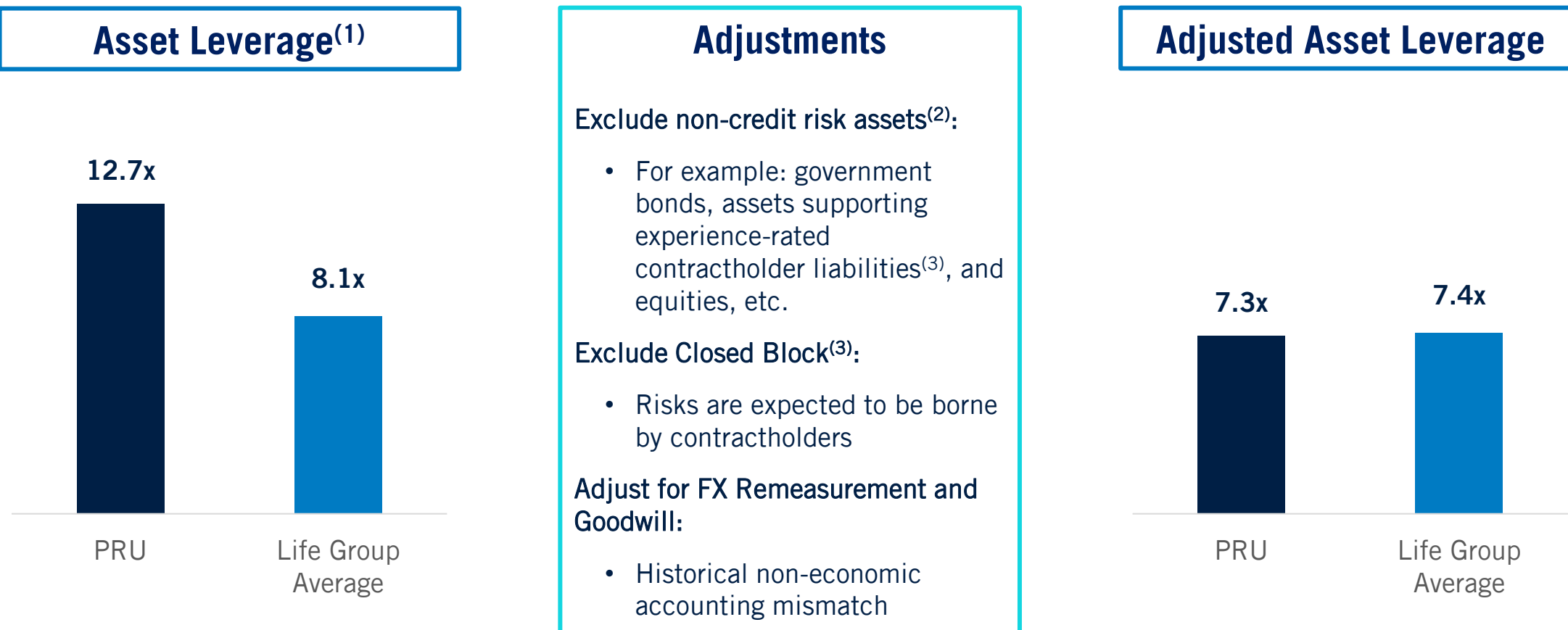
Highlights:

- Broadly diversified, high quality portfolio with strong Asset Liability Management
 - High allocation to government securities (mostly U.S. and Japan)
 - Significant protections with private credit
- Benefits from PGIM's expertise and direct origination capabilities
- Disciplined framework for credit management



(1) General Account excluding the Closed Block Division, Funds Withheld, and assets supporting experience-related contractholder liabilities (ASCL) as of March 31, 2024, on a U.S. GAAP carrying value basis. Mortgage loans include commercial, agricultural, residential, and other loans. Structured products include commercial and residential mortgage-backed securities, collateralized loan obligations, and other asset-backed securities. Alts include investments in LPs/LLCs, and real estate held through direct ownership. Other includes policy loans, fixed maturities - trading, short-term investments, derivatives, and other miscellaneous assets.

ADJUSTED ASSET LEVERAGE IN-LINE WITH PEERS



As of December 31, 2023. Sourced from 2023 10-K and quarterly financial statements. Life Group Average includes Aflac, American Equity Life, Ameriprise, Brighthouse, CNO, Equitable, Lincoln, MetLife, Principal, Prudential, RGA, Unum, and Voya.

(1) Asset leverage defined as invested assets divided by equity excluding accumulated other comprehensive income.

(2) U.S. dollar and foreign government bonds, assets supporting experience-rated contractholder liabilities, equity securities, policy loans, other invested assets, and short-term investments.

(3) If assets supporting experience-rated contractholder liabilities, or assets supporting the Closed Block, are insufficient to make guaranteed benefits payments, such payments must be made by the relevant insurance company. Peers do not segregate the Closed Block business and disclosures indicate that liabilities are currently in excess of Closed Block assets. For purposes of the adjusted asset leverage, Closed Block assets are excluded with no adjustment to equity.



BALANCED APPROACH TO CAPITAL ALLOCATION

1. Maintain Financial Strength

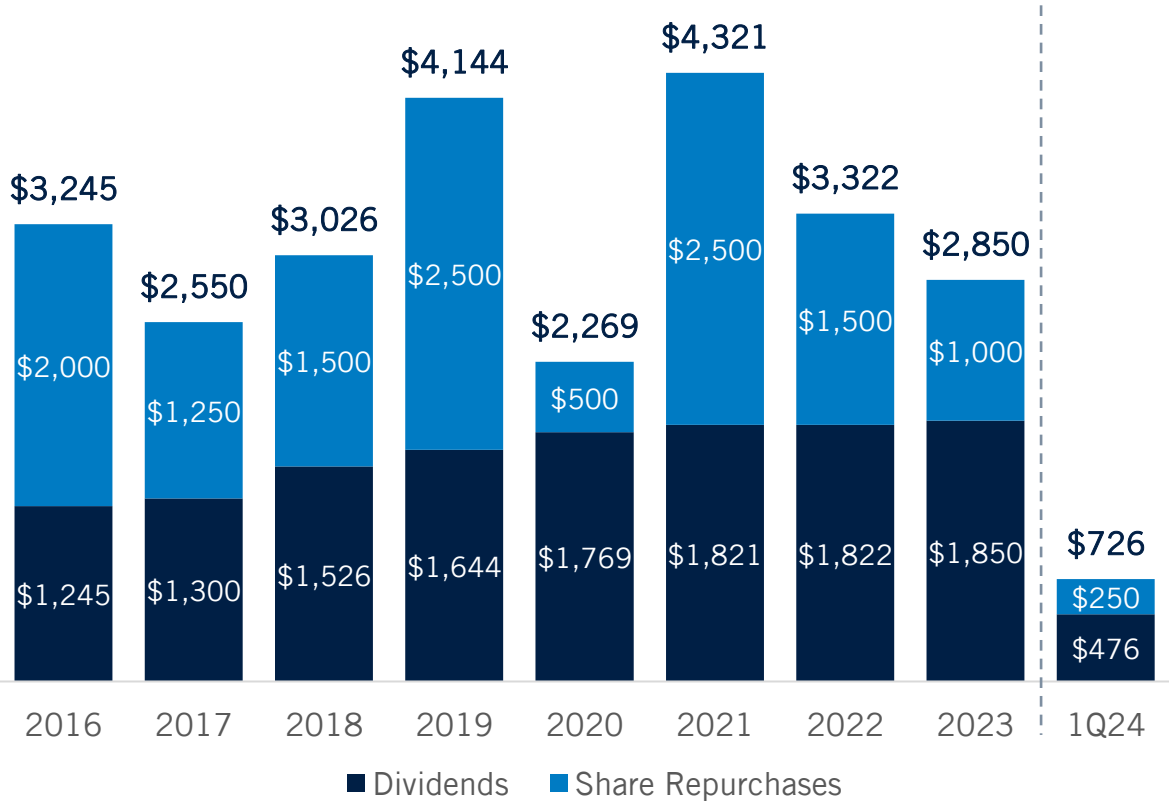
2. Organic Growth at Attractive Returns

3. Sustainable and Growing Dividends

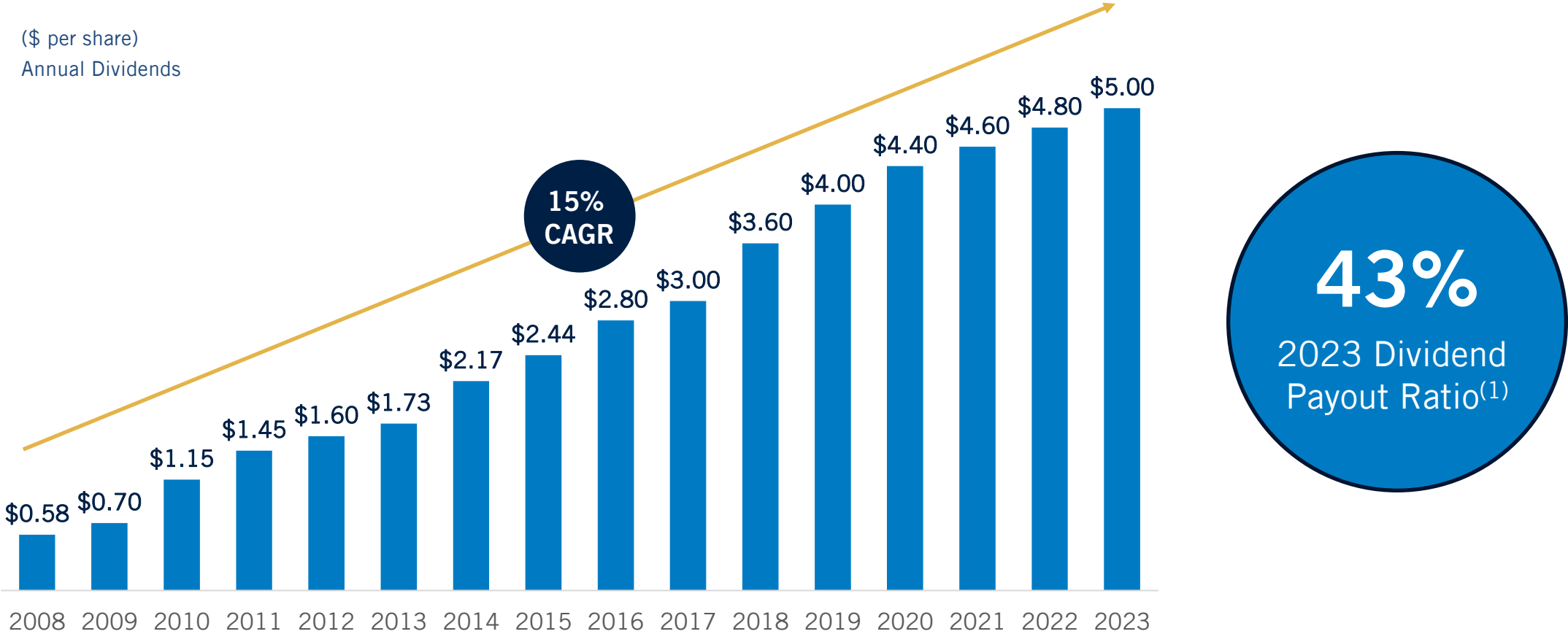
4. Acquisitions

5. Share Repurchases

Shareholder Distributions
(\$ millions)



DOUBLE-DIGIT DIVIDEND GROWTH SUPPORTED BY STRONG EARNINGS AND CASH FLOW COVERAGE



Increased quarterly dividend by 4% in 1Q24, the 16th consecutive annual increase



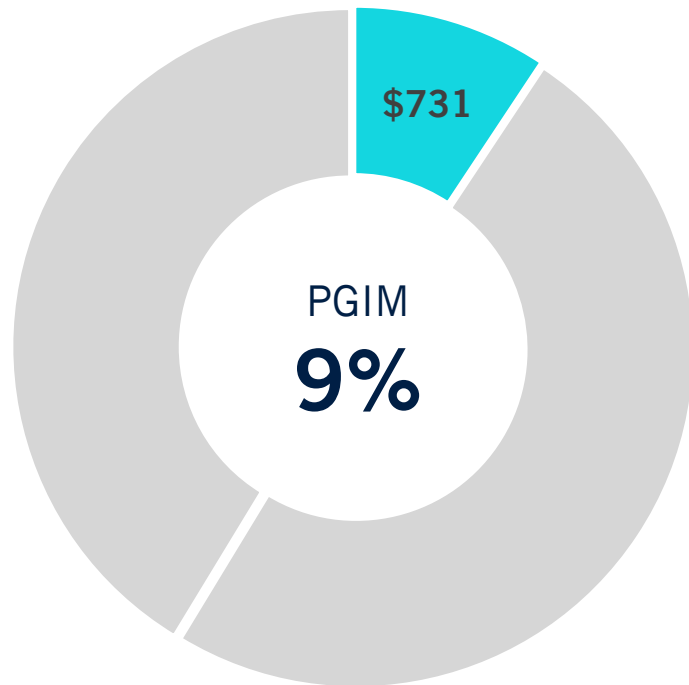
(1) Based on annual dividend per share divided by annual after-tax adjusted operating income per share. See reconciliation of non-GAAP measures in Appendix for more information.



DIFFERENTIATED
THOUGHTFUL STRATEGIES AND
MUTUALLY REINFORCING
BUSINESS SYSTEM PRODUCE A
COMPETITIVE ADVANTAGE

A LEADING GLOBAL INVESTMENT MANAGER ACROSS A BROAD RANGE OF PRIVATE AND PUBLIC ASSET CLASSES

Earnings Contribution⁽¹⁾ (\$ millions)



Business Highlights:

- Diversified capabilities and clients
 - Capabilities in high growth asset classes, including private RE, private credit, and public fixed income
 - Diverse client base with third-party investors representing 74% of asset management fees⁽²⁾
- Strong investment performance⁽³⁾
 - Percentage of AUM⁽⁴⁾ outperforming public benchmarks: 5 Year: 80%, 10 Year: 92%
- Deep expertise and proprietary origination generates competitive edge for insurance businesses

**Disciplined approach to growth to
manage margins through the cycle**

(1) Based on last twelve months of pre-tax adjusted operating income through 1Q24 excluding Corporate & Other operations.

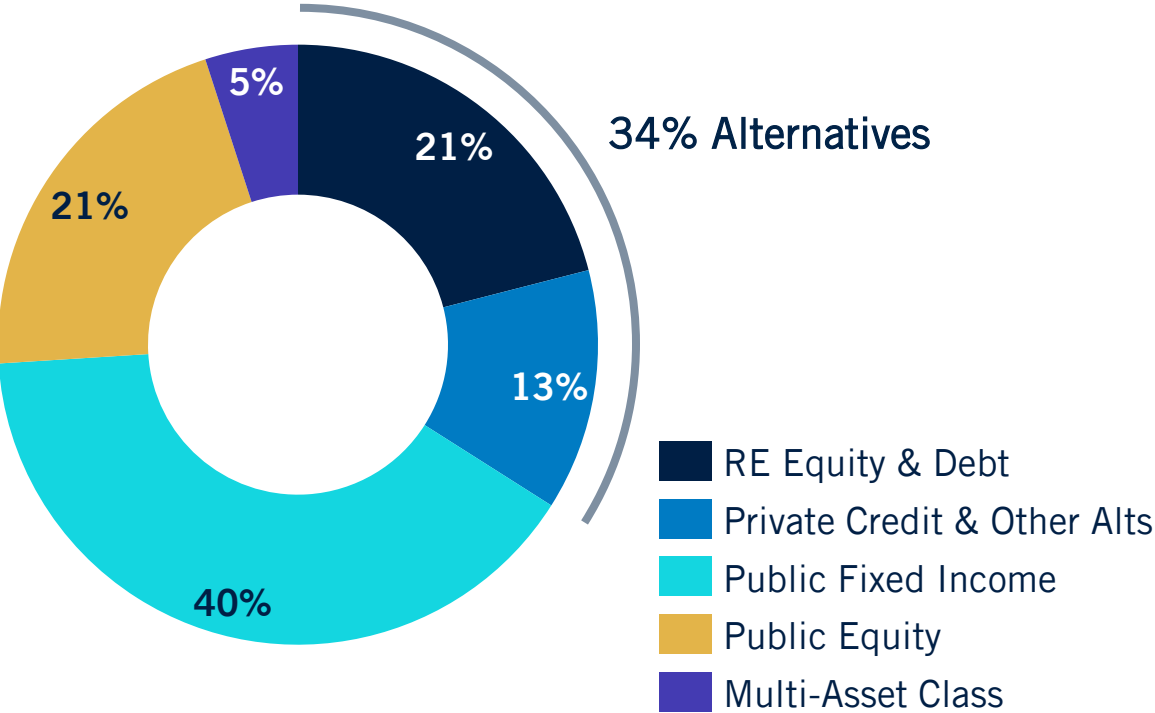
(2) Based on last twelve months PGIM asset management fees through 1Q24.

(3) PGIM calculations as of March 31, 2024 for \$786 billion of third-party AUM managed against public benchmarks. Past performance is not a guarantee or reliable indicator of future results. All investments involve risk, including the possible loss of capital. Performance is defined as outperformance (gross of fees) relative to each individual strategy's respective benchmark(s).

(4) Represents PGIM's benchmarked AUM (74% of total third-party AUM is benchmarked over 3 years, 67% over 5 years, and 49% over 10 years). This calculation does not include non-benchmarked assets (including general account assets and assets not managed by PGIM). Returns are calculated gross of investment management fees, which would reduce an investor's net return. Excess performance is based on all actively managed Fixed Income, Equity, and Real Estate AUM for Jennison Associates, PGIM Fixed Income, PGIM Quantitative Solutions, PGIM Real Estate, PGIM Private Capital, and PGIM Investments.

LEADERSHIP POSITIONS ACROSS INVESTMENT PLATFORM

Product Mix by Asset Management Fees



Scale Across Markets

#3	#6	#9
Real Estate Manager Worldwide	Defined Benefit Assets	Defined Contribution Assets

Differentiated Investment Strategies

#1 REITs	#3 Emerging Market Debt
#2 Investment-Grade Credit Strategy Assets	#4 Core Bond Strategies
#2 Real Estate Debt	#4 Active U.S. Large-Cap Growth Equity
#2 Privately Placed Debt	#5 Active Global Bond Assets



Note: See Appendix for sources of rankings. Data as of March 31, 2024.

PGIM

BENEFITS FROM LARGE AND DIVERSE CREDIT PLATFORM

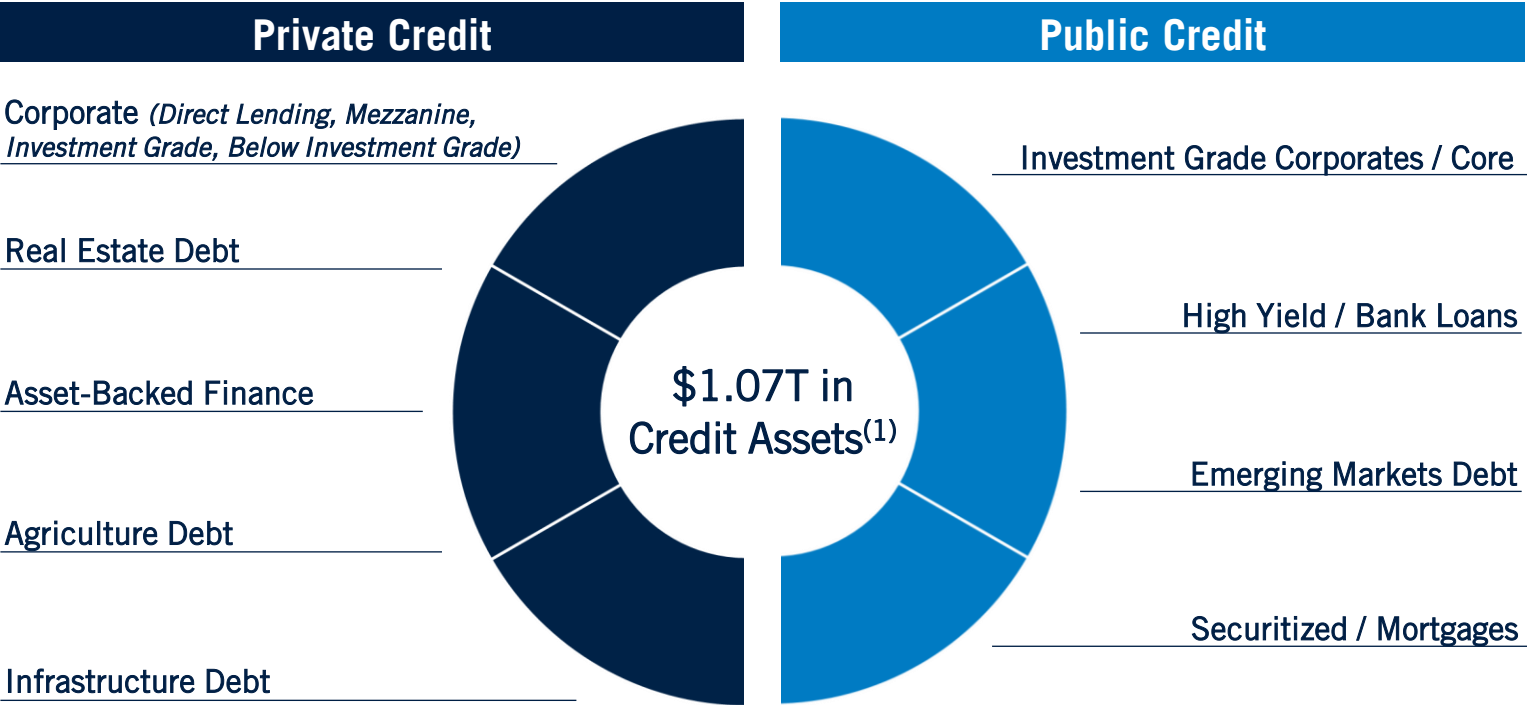
800+ investment professionals seeking income opportunities across the credit spectrum

270+ private credit originators across corporate and real asset strategies

Average ~\$30bn annually in private origination

~20+ years of proprietary data driving investment decisions and portfolio management

Strong recovery rates across the PGIM Private Credit platform



Multi-Asset Credit Solutions

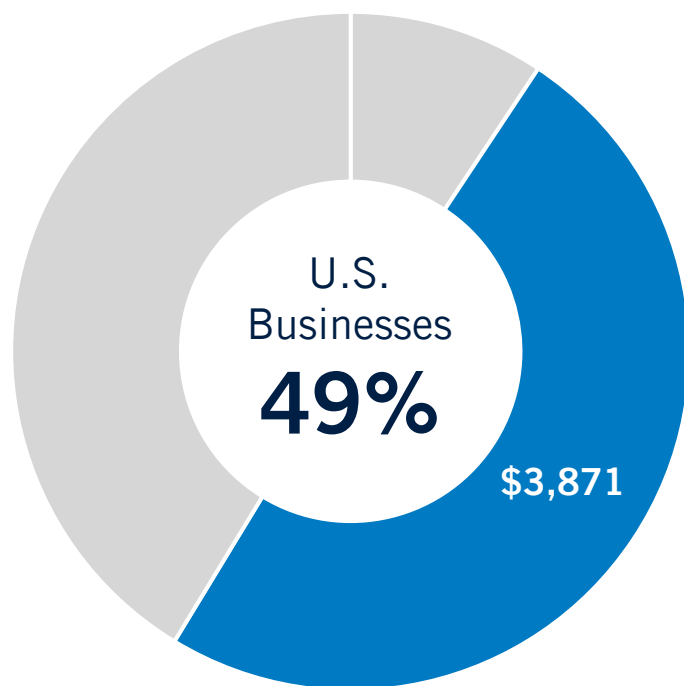
Holistic portfolio solutions that leverage the breadth and depth of PGIM’s asset management expertise



Data as of March 31, 2024, unless otherwise stated.
(1) Inclusive of net AUM and \$47B of AUA.

BROAD BUSINESS PORTFOLIO WITH ROBUST LIABILITY ORIGINATION CAPABILITIES

Earnings Contribution⁽¹⁾
(\$ millions)



Business Highlights:

- Diverse customer base with further growth potential across demographics
- Complementary solutions across businesses
- Strong multi-channel distribution
- Synergies with PGIM's investment expertise

**Scaled businesses with improved
risk profile and growth potential**



Note: See Appendix for earnings by business.

(1) Based on last twelve months of pre-tax adjusted operating income through 1Q24 excluding Corporate & Other operations.

LEADING DISTRIBUTION MODEL WITH END-TO-END CUSTOMER ENGAGEMENT

Distribution through a wide range of channels

Individuals

- Financial professionals
- Direct-to-consumer

Institutions

- Pension plan sponsors
- Reinsurers
- Brokers

Workplace

- Employers
- Associations

Ability to meet customers where and how they want

In Person



Hybrid

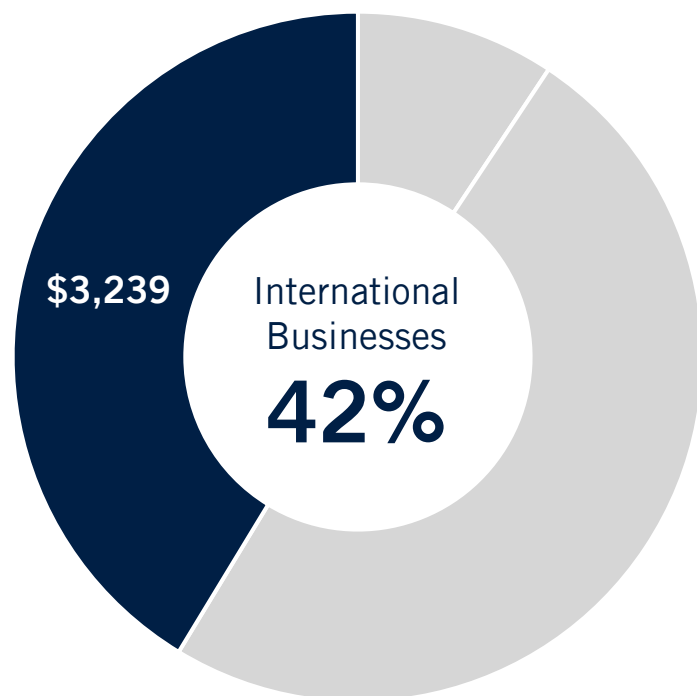


Digital



MARKET LEADER IN JAPAN WITH EXPANDING PRESENCE IN GROWTH MARKETS

Earnings Contribution⁽¹⁾ (\$ millions)



Business Highlights:

- Best in class, profitable Japanese franchise consistently maintaining market leadership position
- Expand in select, high growth emerging markets through investments in organic growth and selective M&A
- Synergies with PGIM's investment expertise

**Consistent earnings contribution
and cash flow to PFI**

ATTRACTIVE MIX OF DEVELOPED AND EMERGING MARKETS PROVIDE LONG-TERM GROWTH

Developed: Japan

- Highly productive distribution system; world class captive agents, complemented by third-party channels
- Aging population provides opportunity for expanding product solutions
- Wealthy households with significant investable assets

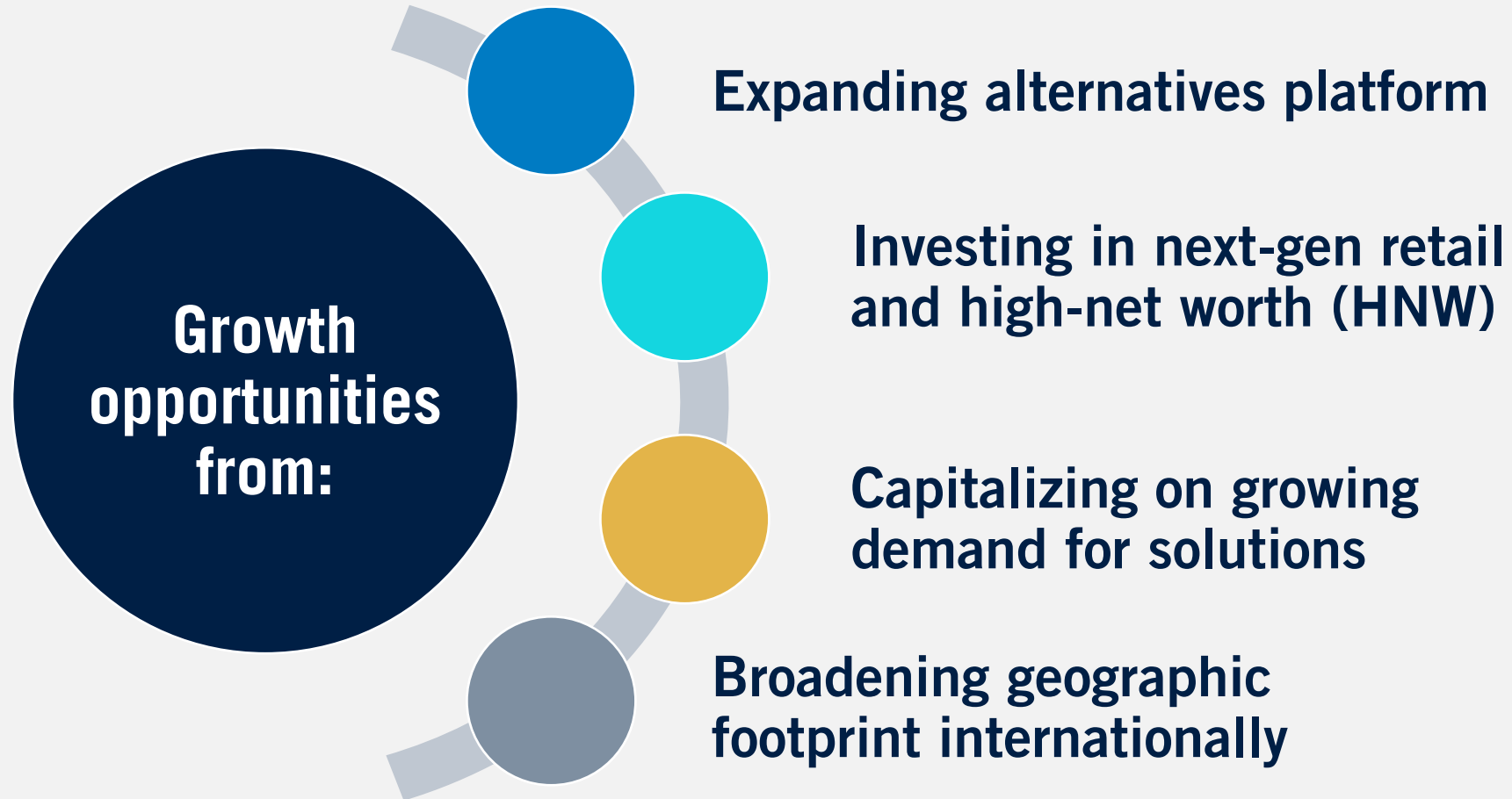
Emerging Markets

- Expanding economies and rising affluent and middle class: Latin America, China, Southeast Asia, Africa
- Low insurance penetration with growing demand for protection and savings products
- Thoughtful ownership approaches and business models tailored to local market dynamics and opportunities

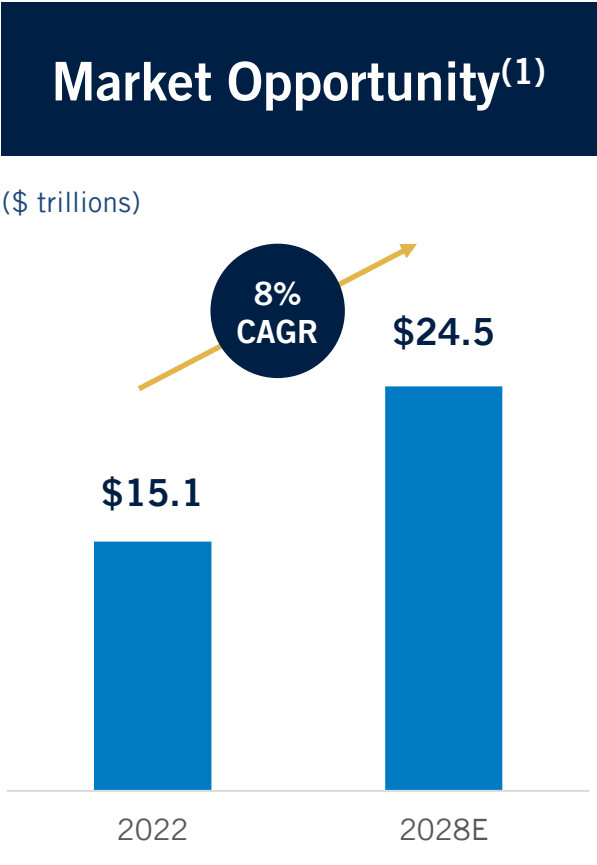


DISCIPLINED
POSITIONED FOR
LONG-TERM GROWTH

EXECUTION ON STRATEGY DRIVING GROWTH



GROWTH IN ALTERNATIVES



PGIM's Positioning

Total Alternatives ⁽²⁾	\$324B
Real Estate ⁽³⁾	\$206B
Private Credit ⁽⁴⁾	\$109B

- Key Growth Initiatives
- Formed PGIM Private Alternatives, bringing together the firm's private alternative capabilities
 - Broadened private alternative capabilities with acquisitions of Deerpath Capital (direct lending) and Montana Capital Partners (PE secondaries)
 - Further scaling and broadening suite of fixed income hedge funds

Note: Data as of March 31, 2024, unless otherwise stated.

(1) Alternatives AUM from Preqin the Future of Alternatives 2028 report, published 2023. Includes private equity, private debt, hedge funds, real estate, infrastructure, and natural resources.

(2) Public and Private Alternatives AUM/AUA includes hedge fund, mezzanine and other private credit, private equity secondaries, real estate and infrastructure strategies across all PGIM businesses.

(3) Real Estate represents gross AUM and AUA of \$159B and \$47B, respectively; net AUM is \$133B.

(4) Private Credit represents gross AUM and AUA of \$108B and \$1B, respectively; net AUM is \$105B



INVESTING IN NEXT GENERATION RETAIL & HNW GROWTH

HNW

- HNW Alternatives platform has dedicated offerings across RE, direct lending, and alternative credit
 - Acquired Custom Harvest, a differentiated tax-managed direct index offering
-

Active ETFs

- 22 active ETFs offered since launching platform in 2018
 - \$7B in active ETF assets managed
-

International Coverage

- Suite of 30 UCITS funds targeting European and Asian client needs
- Targeted coverage of global financial intermediaries in key private banking hubs across Europe and Asia

CAPITALIZING ON GROWING DEMAND FOR SOLUTIONS

Third-Party Insurance

\$87B in Assets

- Experienced insurance partner well versed in capital requirements and asset-liability management
 - Closed \$10B Prismic reinsurance transaction
 - Manage third-party insurance AUM across 100+ clients
-

Pensions

\$333B in Assets

- Pension solutions offering that includes LDI, Multi-Asset Solutions, and PRT
 - Manage \$105B in LDI AUM
 - Manage pension AUM across 1,000+ clients
-

Defined Contribution

\$168B in Assets

- Top 10 global asset manager for DC plans
- Suite of PGIM RetireWell™ capabilities focused on retirement preparedness and decumulation solutions

BROADENING GEOGRAPHIC PRESENCE IN KEY MARKETS

With 1,450+ investment professionals located across 41 offices in 19 countries, our experts are present in key financial centers around the world.



BUILDING ON A STRONG CORE



STRENGTHENING OUR FOUNDATIONAL BUSINESSES

Retirement Strategies

- Expanding access to retirement security, broadening distribution through new relationships, platforms, and advisors
 - Delivering industry-leading strategies for protected growth and income that create stakeholder value across all economic environments
-

Group Insurance

- Expanding in target customer segments and enhancing Supplemental Health platform and products
 - Deepening employer and participant relationships for superior customer experiences in moments that matter
-

Individual Life

- Unlocking growth in the mass affluent and middle markets by expanding access to new customer segments through simplified solutions
- Expanding our distribution relationships and diversifying our product portfolio to drive continued growth

ENHANCING CAPABILITIES TO SIMPLIFY CUSTOMER AND ADVISOR EXPERIENCES

Building a culture of continuous improvement...

**Process
Simplification and
Automation**

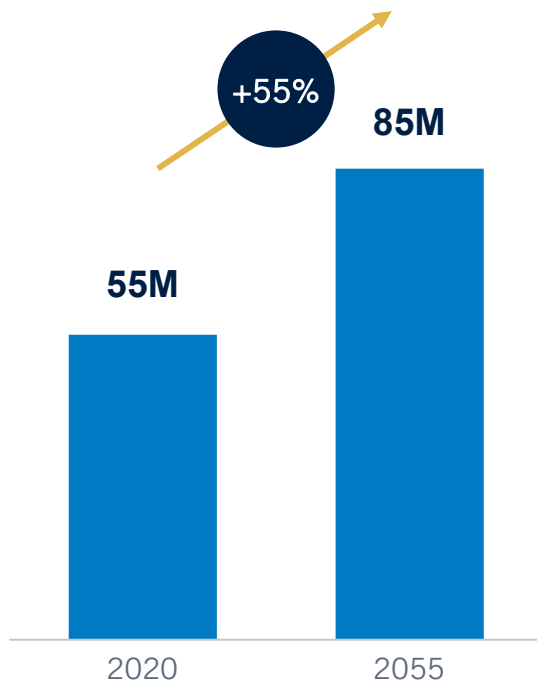
**Customer
Onboarding
Optimization**

**Digital
Enablement**

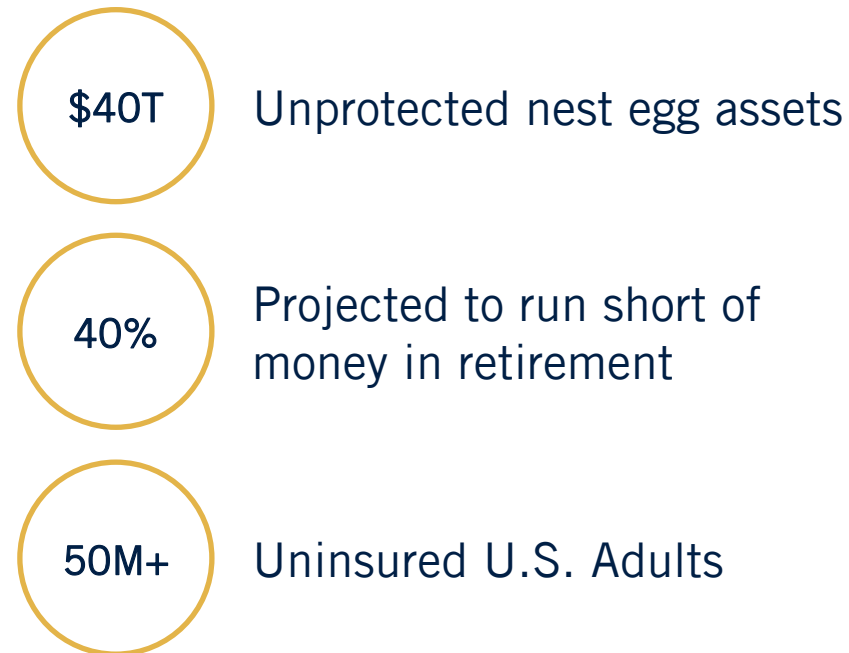
...to drive enhancements for customers and advisors while realizing cost savings

EXPANDING IN CHOSEN MARKETS TO ACCELERATE GROWTH

As more individuals
near retirement...



...many are financially unprepared



How we solve it and grow:

- Simplified, affordable, and accessible products
- Complementary distribution channels that meet diverse customer needs
 - Prudential Advisors
 - Workplace holistic wellness
 - Institutional relationships & digital platform partnerships
- Extensive market expertise

EXPANDING MARKET SHARE



WELL POSITIONED FOR CONTINUED OUTPERFORMANCE IN JAPAN

**Highly Skilled
Distribution**

**Adept at
Product
Evolution**

**Customer
Focused**

LEVERAGE OUR PARTNERSHIPS WITH MARKET-LEADING COMPANIES FOR FUTURE GROWTH IN EMERGING MARKETS

Latin America

Brazil



Largest private sector bank in Brazil and a leading financial institution in Latin America

>50 million retail clients

Chile, Peru, Colombia



Leading pension provider with business across Chile, Peru, and Colombia

#1 in Chile by AUM⁽¹⁾

#3 in Latin America by AUM⁽²⁾

Brazil and Mexico



Mercado Pago is the fintech branch of Mercado Libre, the largest online commerce & payment ecosystem in LatAm

Potential to reach ~30M Mercado Pago users & ~80M Mercado Libre users across the ecosystem

Africa

South Africa



Leading provider of integrated independent advice together with retirement, investment, health and wealth management solutions

#1 multi-manager⁽³⁾

#1 retirement fund administrator⁽³⁾

Ghana



Financial services provider with multiline presence

#1 in life insurance⁽⁴⁾

#1 in general insurance⁽⁴⁾

#1 in pensions⁽⁵⁾

Kenya



Financial services provider with multiline presence

#2 in life insurance⁽⁶⁾

#1 in pension administration⁽⁶⁾

Asia

China



Global innovation-driven consumer group creating high-quality products and services in health, happiness, wealth, and intelligent manufacturing sectors

India



Global business conglomerate with diverse interests in pharma, financial services, and real estate

Offices in over 30 countries and brand presence in over 100 markets

Indonesia



Leading consumer-centric diversified group & ecosystem with businesses across several industries, including financial services

>200 million customers and users



(1) Superintendencia de Pensiones (Chilean Pension Regulator). As of March 31, 2024.

(2) Superintendencia de Pensiones (Pension Regulator) of each country. As of March 31, 2024.

(3) Alexander Forbes Investments survey, FSCA member data, Alexforbes management analysis. As of March 31, 2023.

(4) Ghanaian National Insurance Commission. Based on gross premiums as of December 31, 2023.

(5) National Pensions Regulatory Authority (NPRA). Based on AUM as of December 31, 2022.

(6) Kenya Insurance Regulatory Authority (IRA), 3Q23 insurance industry statistics.

PRUDENTIAL INVESTMENT THESIS

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DIFFERENTIATED

Thoughtful strategies and mutually reinforcing business system produce a competitive advantage

DISCIPLINED

Positioned for long-term growth

BECOMING A HIGHER GROWTH, MORE CAPITAL EFFICIENT, AND NIMBLE COMPANY

145+ years

of service and commitment to providing insurance protection

\$1.5 trillion

in assets under management supporting diversified businesses⁽¹⁾

50 million

customers in over 50 countries

7%

5-yr Annual Dividends Per Share CAGR⁽²⁾



(1) As of March 31, 2024.
(2) From 2018 to 2023; based on annual dividend per share.



APPENDIX

SOURCES OF RANKINGS

BUSINESS	MARKET POSITION	SOURCE
PGIM	#3 Real Estate Manager	Pensions & Investments Top Real Estate Managers list, published October 9, 2023. AUM as of June 30, 2023. Participation in the ranking is voluntary.
	#1 REITs #2 Real Estate Debt #2 Privately Placed Debt #3 Emerging Market Debt #4 Core Bond Strategies #4 Active U.S. Large-Cap Growth Equity #5 Active Global Bond Assets #6 Defined Benefit Assets #9 Defined Contribution Assets	Pensions & Investments Top Money Managers list published June 2023. This ranking represents U.S. institutional, tax-exempt client assets under management as of December 31, 2022. Participation in the P&I ranking is voluntary and open to managers that have any kind of U.S. institutional tax-exempt assets.
	#2 Investment-Grade Credit Strategy Assets	IPE International Publishers Limited's Investment Grade Credit Manager Survey, published January 2024. This ranking represents investment grade credit strategy assets under management by PGIM as of September 30, 2023. Participation in the ranking is voluntary.
	Top 3 Foreign Manager of Japanese Institutional Assets	PGIM Japan, based on the total AUM for discretionary managed accounts as of the end of December 2023 provided by R&I's Nenkin Joho #940.



FORWARD-LOOKING STATEMENTS

Certain of the statements included in this presentation, including those relating to Prudential Financial, Inc.'s and its subsidiaries' financial strength, strategy, growth prospects and market opportunities, our plans to reposition our business and become a higher growth, less market sensitive, more nimble company, ability to manage risk associated with equity market decline, pandemic insurance shock, interest rate shock, credit shock or currency shock, capital allocation strategy (including the payment of dividends, acquisitions, and repurchase of shares), our goals and commitments related to long-term sustainability (including our net zero target), and planned transactions constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects”, “believes”, “anticipates”, “includes”, “plans”, “assumes”, “estimates”, “projects”, “intends”, “should”, “will”, “shall”, or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management's current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. Prudential Financial, Inc.'s actual results may differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” and “Forward-Looking Statements” sections included in Prudential Financial, Inc.'s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Each of our forward-looking statements contained herein is subject to the risk that we will be unable to execute our strategy and other risks. Prudential Financial, Inc. does not undertake to update any particular forward-looking statement included in this presentation.

Prudential Financial, Inc. of the United States is not affiliated with Prudential plc which is headquartered in the United Kingdom.



NON-GAAP MEASURES

This presentation includes references to adjusted operating income, adjusted book value, and adjusted operating return on equity, which is based on adjusted operating income and adjusted book value. Consolidated adjusted operating income, adjusted book value, and adjusted operating return on equity are not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income, adjusted book value, and adjusted operating return on equity and the comparable GAAP measures, including reconciliations between the comparable measures, please refer to our quarterly results news releases, which are available on our website at investor.prudential.com. Reconciliations are also included as part of this presentation.

We believe that our use of these non-GAAP measures helps investors understand and evaluate the Company's performance and financial position. The presentation of adjusted operating income as we measure it for management purposes enhances the understanding of the results of operations by highlighting the results from ongoing operations and the underlying profitability of our businesses. Trends in the underlying profitability of our businesses can be more clearly identified without the fluctuating effects of the items described below. Adjusted book value augments the understanding of our financial position by providing a measure of net worth that is primarily attributable to our business operations separate from the portion that is affected by capital and currency market conditions, and by isolating the accounting impact associated with insurance liabilities that are generally not marked to market and the supporting investments that are marked to market through accumulated other comprehensive income under GAAP. However, these non-GAAP measures are not substitutes for income and equity determined in accordance with GAAP, and the adjustments made to derive these measures are important to an understanding of our overall results of operations and financial position. The schedules accompanying this release provide reconciliations of non-GAAP measures with the corresponding measures calculated using GAAP. Additional historic information relating to our financial performance is located on our website at investor.prudential.com.

Adjusted operating income is a non-GAAP measure used by the Company to evaluate segment performance and to allocate resources. Adjusted operating income excludes "Realized investment gains (losses), net, and related charges and adjustments". A significant element of realized investment gains and losses are impairments and credit-related and interest rate-related gains and losses. Impairments and losses from sales of credit-impaired securities, the timing of which depends largely on market credit cycles, can vary considerably across periods. The timing of other sales that would result in gains or losses, such as interest rate-related gains or losses, is largely subject to our discretion and influenced by market opportunities as well as capital and other factors.



NON-GAAP MEASURES (CONTINUED)

Realized investment gains (losses) within certain businesses for which such gains (losses) are a principal source of earnings, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments, are included in adjusted operating income. Adjusted operating income generally excludes realized investment gains and losses from products that contain embedded derivatives, and from associated derivative portfolios that are part of an asset-liability management program related to the risk of those products. Adjusted operating income also excludes gains and losses from changes in value of certain assets and liabilities relating to foreign currency exchange movements that have been economically hedged or considered part of our capital funding strategies for our international subsidiaries, as well as gains and losses on certain investments that are designated as trading. Adjusted operating income also excludes investment gains and losses on assets supporting experience-rated contractholder liabilities and changes in experience-rated contractholder liabilities due to asset value changes, because these recorded changes in asset and liability values are expected to ultimately accrue to contractholders. Additionally, adjusted operating income excludes the changes in fair value of equity securities that are recorded in net income.

Adjusted operating income excludes “Change in value of market risk benefits, net of related hedging gains (losses)”, which reflects the impact from changes in current market conditions, and market experience updates, reflecting the immediate impacts in current period results from changes in current market conditions on estimates of profitability, which we believe enhances the understanding of underlying performance trends. Adjusted operating income also excludes the results of Divested and Run-off Businesses, which are not relevant to our ongoing operations, and discontinued operations and earnings attributable to noncontrolling interests, each of which is presented as a separate component of net income under GAAP. Additionally, adjusted operating income excludes other items, such as certain components of the consideration for acquisitions, which are recognized as compensation expense over the requisite service periods, and goodwill impairments. Earnings attributable to noncontrolling interests is presented as a separate component of net income under GAAP and excluded from adjusted operating income. The tax effect associated with pre-tax adjusted operating income is based on applicable IRS and foreign tax regulations inclusive of pertinent adjustments.

Adjusted operating income does not equate to “Net income” as determined in accordance with U.S. GAAP. Adjusted operating income is not a substitute for income determined in accordance with U.S. GAAP, and our definition of adjusted operating income may differ from that used by other companies. The items above are important to an understanding of our overall results of operations. However, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability of our businesses. Trends in the underlying profitability of our businesses can be more clearly identified without the fluctuating effects of the items described above.

Adjusted book value is calculated as total equity (GAAP book value) excluding accumulated other comprehensive income (loss), the cumulative change in fair value of funds withheld embedded derivatives, and the cumulative effect of foreign currency exchange rate remeasurements and currency translation adjustments corresponding to realized investment gains and losses. These items are excluded in order to highlight the book value attributable to our core business operations separate from the portion attributable to external and potentially volatile capital and currency market conditions.



EARNINGS BY BUSINESS

(\$ millions)	Twelve Months Ended 3/31/2024 ⁽¹⁾
Adjusted operating income (loss) before income taxes	
PGIM	\$ 731
U.S. Businesses:	
Institutional Retirement Strategies	1,740
Individual Retirement Strategies	1,906
Group Insurance	339
Individual Life	(114)
Total U.S. Businesses	3,871
International Businesses:	
Life Planner	2,023
Gibraltar Life & Other	1,216
Total International Businesses	3,239
Corporate & Other	(1,998)
Total adjusted operating income before income taxes	5,843
Income taxes, applicable to adjusted operating income	1,282
After-tax adjusted operating income	\$ 4,561



(1) As of March 31, 2024, based on management's commitment to a plan to exit the Assurance IQ ("AIQ") operations, AIQ has been classified as a Divested and Run-off Business within Corporate and Other operations. AIQ's results for the three months ended March 31, 2024 have been excluded from adjusted operating income and historical results have been updated to conform to the current period presentation.

RECONCILIATIONS BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE

(\$ millions, except per share data)

	Twelve Months Ended 3/31/2024 ⁽²⁾
Net income attributable to Prudential Financial, Inc.	\$ 2,164
Income attributable to noncontrolling interests	18
Net income	2,182
Less: Earnings attributable to noncontrolling interests	18
Income attributable to Prudential Financial, Inc.	2,164
Less: Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	69
Income (after-tax) before equity in earnings of operating joint ventures	2,095
Less: Reconciling Items:	
Realized investment losses, net, and related charges and adjustments	(3,031)
Change in value of market risk benefits, net of related hedging gains	104
Market experience updates	30
Divested and Run-off Businesses:	
Closed Block division	(99)
Other Divested and Run-off Businesses	(106)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(90)
Other adjustments ⁽¹⁾	(36)
Total reconciling items, before income taxes	(3,228)
Less: Income taxes, not applicable to adjusted operating income	(762)
Total reconciling items, after income taxes	(2,466)
After-tax adjusted operating income	4,561
Income taxes, applicable to adjusted operating income	1,282
Adjusted operating income before income taxes	\$ 5,843
After-tax adjusted operating income per share	\$ 12.42

(1) Represents adjustments not included in the above reconciling items, including certain components of consideration for business acquisitions, which are recognized as compensation expense over the requisite service periods.

(2) As of March 31, 2024, based on management's commitment to a plan to exit the Assurance IQ ("AIQ") operations, AIQ has been classified as a Divested and Run-off Business within Corporate and Other operations. AIQ's results for the three months ended March 31, 2024 have been excluded from adjusted operating income and historical results have been updated to conform to the current period presentation.



RECONCILIATIONS BETWEEN ADJUSTED BOOK VALUE AND THE COMPARABLE GAAP MEASURE

(\$ millions, except per share data)

	March 31, 2024
GAAP book value	\$ 27,209
Less: Accumulated other comprehensive income (AOCI)	(7,661)
GAAP book value excluding AOCI	34,870
Less: Cumulative change in fair value of funds withheld embedded derivatives ⁽¹⁾	14
Less: Cumulative effect of foreign exchange rate remeasurement and currency translation adjustments corresponding to realized gains (losses)	(345)
Adjusted book value	<u>\$ 35,201</u>
 Number of diluted shares	 <u>362.8</u>
 GAAP book value per Common share - diluted	 \$ 75.00
GAAP book value excluding AOCI per Common share - diluted	\$ 96.11
Adjusted book value per Common share - diluted	\$ 97.03



(1) Amount represents the cumulative change in fair value of funds withheld embedded derivatives related to unrealized gains and losses on available-for-sale securities and certain derivatives associated with customer liabilities reinsured under coinsurance with funds withheld and modified coinsurance arrangements.