

PGIM Private Capital Limited

Strategic Report for the Year Ended 31 December 2023

The Strategic Report must include a statement describing how the Directors have 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 are taking into account when making decisions.

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, the Group Global Head of ESG is based in the London offices.

(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 Company 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 Company has continued to focus on employee wellbeing and has a number support programs and initiatives. These include:

- Local Wellbeing ambassadors who sponsor and promote monthly events that include webinars and in-person events on various types of well-being (mental/physical/financial etc) and monthly walks;
- Global PGIM Wellness Week in November, in partnership with PGIM mental Health Champions network which featured virtual live sessions on related topics and promoted PGIM;
- Certified Mental Health First Aiders as part of a global mental health Champion initiative;
- Menopause policy and support program;
- Global, regional and local inclusion groups;
- Global multi-year organisational culture change program rooted in neuroscience called Inclusion Counts which is aimed at empowering leaders, managers and employees to implement inclusive behaviours and creating a fully inclusive and equitable workplace;
- Regular European DEI (diversity, equity and inclusion) newsletter to share information with employees, raise awareness, update on progress against our DEI-related goals and ensure transparency;
- Added 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 blogs 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 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 Company 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) 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 invited to participate in the online Global Employee Engagement Survey. The results are communicated to senior management who have committed to act on the feedback and help inform and improve subsequent country initiatives.

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

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 consolidated group of PFL and its subsidiaries 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 minimise its impact on the environment and has developed in-house initiatives, such as an internal recycling scheme and the provision of employee cycle racks, to this aim.

(e) Maintaining 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 between members of the Company

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