

# Prudential plc

## 2021 Half Year Results

11 August 2021



This document may contain 'forward-looking statements' with respect to certain of Prudential's plans and its goals and expectations relating to its and Jackson's future financial condition, performance, results, strategy and objectives. Statements that are not historical facts, including statements about Prudential's beliefs and expectations and including, without limitation, statements containing the words 'may', 'will', 'should', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'plans', 'seeks' and 'anticipates', and words of similar meaning, are forward-looking statements. These statements are based on plans, estimates and projections as at the time they are made, and therefore undue reliance should not be placed on them. By their nature, all forward-looking statements involve risk and uncertainty.

A number of important factors could cause Prudential's and Jackson's actual future financial condition or performance or other indicated results of the entity referred to in any forward-looking statement to differ materially from those indicated in such forward-looking statement. Such factors include, but are not limited to, the ability to complete the proposed demerger of Jackson Financial Inc. on the anticipated timeframe or at all; the realisation of anticipated benefits of the proposed demerger of Jackson; the ability of the management of Jackson Financial Inc. and its group to deliver on its business plan post-separation; the impact of the current Covid-19 pandemic, including adverse financial market and liquidity impacts, responses and actions taken by governments, regulators and supervisors, the impact to sales, claims and assumptions and increased product lapses, disruption to Prudential's operations (and those of its suppliers and partners), risks associated with new sales processes and information security risks; future market conditions, including fluctuations in interest rates and exchange rates, the potential for a sustained low-interest rate environment, and the impact of economic uncertainty, asset valuation impacts from the transition to a lower carbon economy, derivative instruments not effectively hedging exposures arising from product guarantees, inflation, including interest rate rises as a response, and deflation and the performance of financial markets generally; global political uncertainties, including the potential for increased friction in cross-border trade and the exercise of executive powers to restrict trade, financial transactions, capital movements and/or investment; the policies and actions of regulatory authorities, including, in particular, the policies and actions of the Hong Kong Insurance Authority, as Prudential's Group-wide supervisor, as well as new government initiatives generally; given its designation as an Internationally Active Insurance Group, ("IAIG"), the impact on Prudential of systemic risk and other group supervision policy standards adopted by the International Association of Insurance Supervisors; the impact of competition and fast-paced technological change; the effect on Prudential's business and results from, in particular, mortality and morbidity trends, lapse rates and policy renewal rates; the physical, social and financial impacts of climate change and global health crises on Prudential's business and operations; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; the impact of internal transformation projects and other strategic actions failing to meet their objectives; the effectiveness of reinsurance for Prudential's businesses; the risk that Prudential's operational resilience (or that of its suppliers and partners) may prove to be inadequate, including in relation to operational disruption due to external events; disruption to the availability, confidentiality or integrity of Prudential's information technology, digital systems and data (or those of its suppliers and partners); any ongoing impact on Prudential of the demerger of M&G plc and, if and when completed, the demerger of Jackson Financial Inc.; the impact of changes in capital, solvency standards, accounting standards or relevant regulatory frameworks, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate; the impact of legal and regulatory actions, investigations and disputes; and the impact of not adequately responding to environmental, social and governance issues. These and other important factors may, for example, result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. Further discussion of these and other important factors that could cause Prudential's actual future financial condition or performance or other indicated results of the entity referred to in any forward-looking statements to differ, possibly materially, from those anticipated in Prudential's forward-looking statements can be found under the 'Risk Factors' heading in Prudential's 2020 Annual Report and the 'Risk Factors' heading of Prudential's most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission ("SEC"). Prudential's most recent Annual Report and Form 20-F are available on its website at [www.prudentialplc.com](http://www.prudentialplc.com).

Any forward-looking statements contained in this document speak only as of the date on which they are made. Prudential expressly disclaims any obligation to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make, whether as a result of future events, new information or otherwise except as required pursuant to the UK Prospectus Rules, the UK Listing Rules, the UK Disclosure and Transparency Rules, the Hong Kong Listing Rules, the SGX-ST listing rules or other applicable laws and regulations. Prudential may also make or disclose written and/or oral forward-looking statements in reports filed with or furnished to the FCA, the SEC or other regulatory authorities, as well as in its annual report and accounts to shareholders, periodic financial reports to shareholders, proxy statements, offering circulars, registration statements, prospectuses and prospectus supplements, press releases and other written materials and in oral statements made by directors, officers or employees of Prudential to third parties, including financial analysts. All such forward-looking statements are qualified in their entirety by reference to the factors discussed under the 'Risk Factors' heading in Prudential's 2020 Annual Report and the 'Risk Factors' heading of Prudential's most recent annual report on Form 20-F filed with the SEC. These factors are not exhaustive as Prudential operates in a continually changing business environment with new risks emerging from time to time that it may be unable to predict or that it currently does not expect to have a material adverse effect on its business.

### **Cautionary Statements**

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# Mike Wells

Group CEO

# Prudential plc

## A clear, purpose-led strategy to drive growth

### Our Objectives

Grow **NBP** substantially  
> GDP & achieve long-term  
double-digit growth in **EVPS**

Develop capacity to serve  
**50m** customers by 2025

Become net **carbon  
neutral** by 2050<sup>^</sup>



### Delivering

Profitable Growth & Social Impact



### Digitising

Products, Services & Experiences



### Humanising

Our Company & Advice Channels

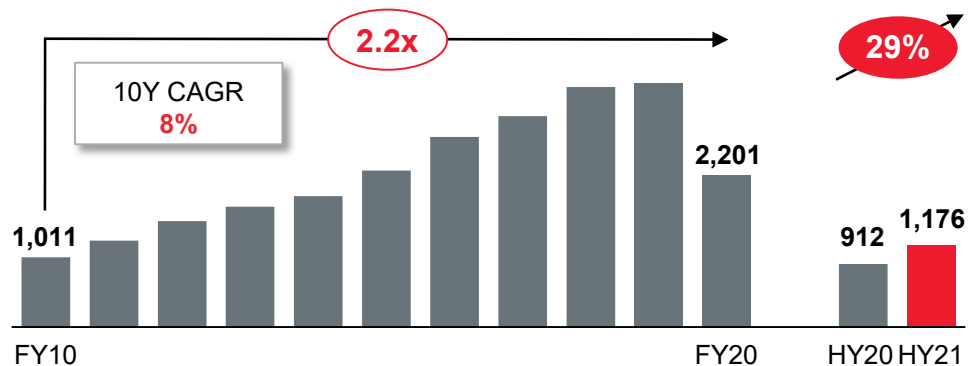
- ✓ Focus on China, India, Indonesia and Thailand
- ✓ Grow H&P by providing access to affordable health
- ✓ Position Eastspring to lead in Asia & drive ESG agenda
- ✓ Make it easy for customers to buy – repeatedly
- ✓ Expand data-driven knowledge of and for customers
- ✓ Improve health and wealth outcomes at scale
- ✓ Upskill our people, agents and partner advisors
- ✓ Provide inclusive offerings for all segments
- ✓ Lower the threshold for wealth services

<sup>^</sup>Consistent with the Paris Agreement and our membership in the Net Zero Asset Owner Alliance. The portfolio, with a value of \$128 billion as at 31 December 2020, excludes unit-linked funds and assets held by joint venture businesses. Following the announcement of the intent to demerge Jackson Financial Inc (Jackson), the Jackson business and all assets it holds are also excluded from these commitments. In addition, this policy cannot be applied to certain externally-managed collective investment scheme balances.

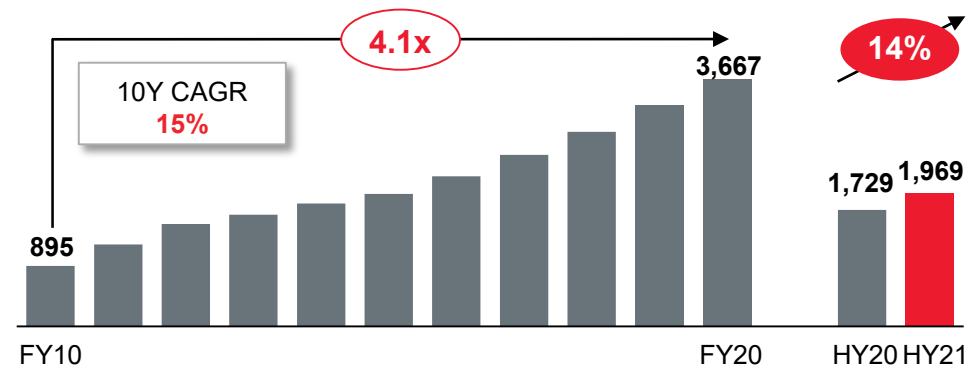
# Robust HY21 financial performance

Building on track record of delivering sustainable shareholder value

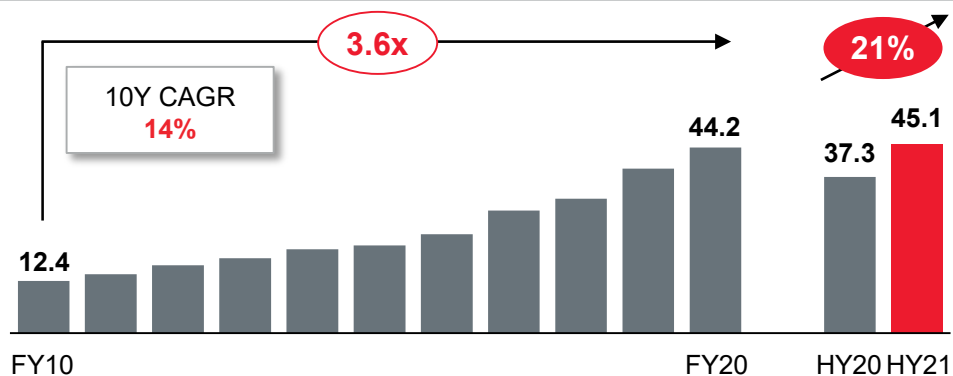
## New business profit (AER)<sup>1,3,5</sup>, \$m



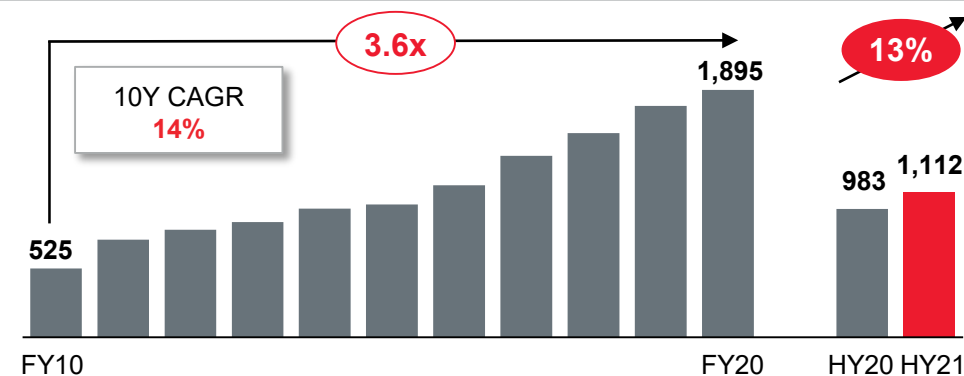
## IFRS operating profit (AER)<sup>2,3,6</sup>, \$m



## Embedded value (AER)<sup>2,4,6</sup>, \$bn



## Operating free surplus generation (AER)<sup>2,3,6,7</sup>, \$m



Note: AER – Actual exchange rate basis

1. Continuing insurance operations
2. Continuing insurance and asset management operations
3. Comparatives are adjusted for new and amended accounting standards and exclude PCA Korea Life, Japan and Taiwan agency

4. 2010 – 2016 include PCA Korea Life
5. All comparatives exclude Africa
6. FY10-FY20 comparatives exclude Africa. HY20 comparative include Africa.
7. Before restructuring and IFRS17 implementation costs

# Prudential plc

## Distinct competitive advantages

### 1 China: Access to nearly whole of China



GDP & GWP<sup>1</sup>

### 2 India: Top 3 Life and Asset Manager<sup>2</sup>



16% market share<sup>3</sup>



13% market share<sup>4</sup>

### 3 Indonesia: #1 insurer and #1 Sharia products

**#1**  
Overall market share<sup>5</sup>

**#1**  
Agency force

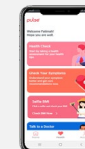
**#1**  
Sharia market share<sup>5</sup>

### 4 Thailand: Rapid growth in high-potential market

- PLT<sup>5,6</sup> **+4%** vs Market<sup>6,7</sup> -5%
- **>2x** NBP YoY<sup>7</sup> in 1H2021

### 5 Pulse: Compelling digital strategy

All-in-one,  
personalised and  
on-demand  
AI-powered app



Engage

Onboard

Fulfilment

### 6 Agency: Leading agency force across the region



c. **560,000**  
agents<sup>8</sup>

**>60,000**  
agent recruits<sup>9</sup>

### 7 Bancassurance: Largest branch network



**>28,000**  
Bank branch access<sup>8,10</sup>

### 8 Eastspring: Our leading Asian asset manager

**Top 10** position in 7 out of 11 markets<sup>11</sup>

AUM of **\$254bn<sup>8</sup>**

PRUDENTIAL  
英國保誠

pulse  
by Prudential

eastspring  
investments

1. 2020 data for GDP and GWP. Sources from National Bureau of Statistics and CBIRC

2. Source: IRDAI. ICICI Prudential Annual Reports and Investor Presentations

3. Based on new business sum assured for HY21. Source: IRDAI. Among private players only

4. Based on AUM. As at the end of Indian financial year (31 March)

5. As at FY20. Based on weighted first year premiums

6. Based on weighted new business premiums as per Thai Life Assurance Association (TLAA). Based on APE, PLT +8% YoY CER growth

7. On a constant exchange rate basis

8. As at 30 June 2021

9. For the 6 month period ending 30 June 2021

10. Including Africa

11. Source: Singapore and Hong Kong (Morningstar), Malaysia (Lipper), Thailand (Association of Investment Management Companies), Korea (Korea Financial Investment Association), India (Association of Mutual Funds in India), Japan (Investment Trusts Association, Japan), Taiwan (Securities Investment Trust & Consulting Association of R.O.C.), China (Wind), Indonesia (Otoritas Jasa Keuangan), Vietnam (State Securities Commission of Vietnam). All markets as of December 2020

# Prudential plc

## Enhancing capabilities to accelerate growth



### Broadening distribution capabilities

#### Enhanced agent quality & improved productivity

**11.6k** MDRT<sup>1</sup>  
Members<sup>1</sup>

**+19%**

Increase in APE  
per active agent<sup>2</sup>

**+77%** YoY

#### Expanding bancassurance

**>130**

Bank partnerships<sup>2</sup>

**11**

Markets with double  
digit NBP growth<sup>3</sup>

**8**

Markets with NBP  
margin expansion<sup>3</sup>



### Deepening presence in China

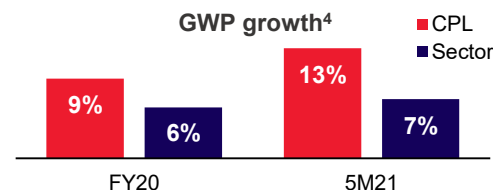
**20** branches and  
presence in 99 cities

**81%**

Agency margin

**73%**

Banca NBP growth



Outgrowing the industry



### Established Pulse ecosystem

**17**

(15)<sup>10</sup> Markets<sup>5,6</sup>

**c30m**

(20m)<sup>10</sup> Downloads<sup>7</sup>

**47**

(32)<sup>10</sup> Digital partnerships<sup>8</sup>

**\$158m** (\$211m)<sup>11</sup> APE sales  
involving Pulse<sup>9</sup>

(XXX) FY20 comparative

Data as of 1H21 and growth rates on YoY and constant exchange rate basis unless stated otherwise

1. MDRT statistics as at 1 July 2021, based on Jan 2020 to Dec 2020 production period

2. Including Africa

3. Relates to Asia bancassurance NBP only and excludes Africa

4. Gross written premium growth. Source: CBIRC

5. Includes 11 Asian markets and 6 African markets

6. As of 30 June 2021

7. As of 5 August 2021

8. As of 4 August 2021

9. As of HY2021. APE sales involving Pulse are sales completed by agents on leads from digital campaigns captured within the Pulse customer management system or on leads from Pulse registrations, together with a small number of policies purchased via Pulse online

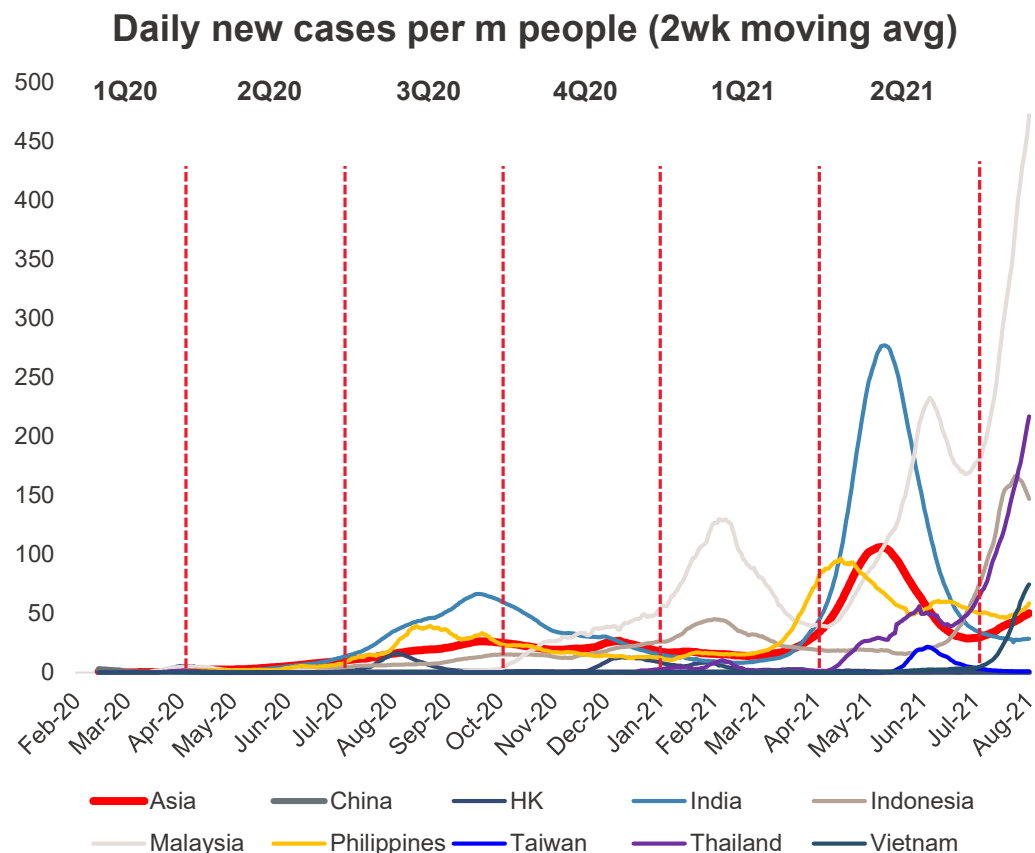
10. As of 22 February 2021

11. As of FY20, on an actual exchange rate basis

# Prudential plc

## Strong broad based delivery despite challenging operating backdrop

### Sharply higher new Covid cases in 2Q/1H 2021<sup>1</sup>



### Broad based results delivery<sup>2</sup>

**Broad based APE and NBP growth**

**9** markets Double-digit growth

**Ongoing pivot to H&P**

**8** markets Double-digit H&P APE & NBP growth

**Surpassing 2019 APE & NBP levels**

**7** markets Double-digit growth over 2019

**Margin expansion**

**7** markets China, HK, India, Philippines at all time high margins

**Strong momentum in agency & banca**

**7** markets Double-digit NBP growth in both channels



# Prudential plc

## Market highlights



NBP \$ **228**m **+65%**



NBP \$ **306**m **-13%**



NBP \$ **57**m **-17%**



NBP \$ **113**m **+59%**



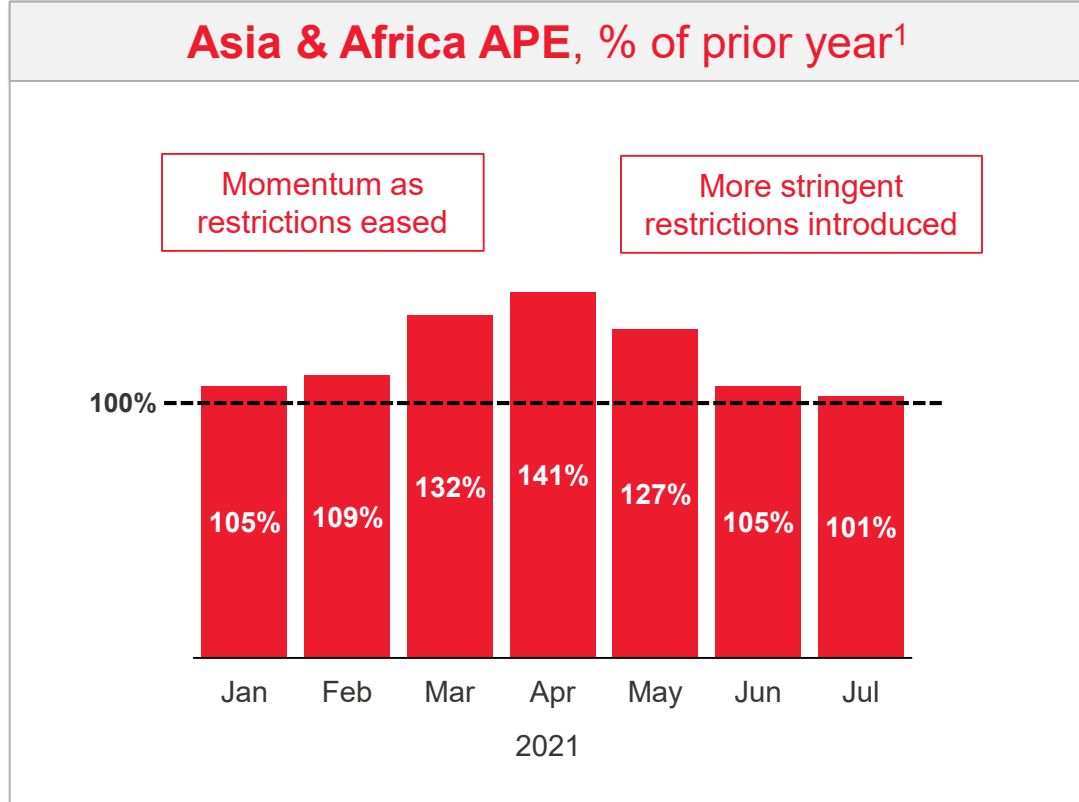
NBP \$ **215**m **+65%**

**Growth markets<sup>1</sup>**

NBP \$ **257**m **+44%**

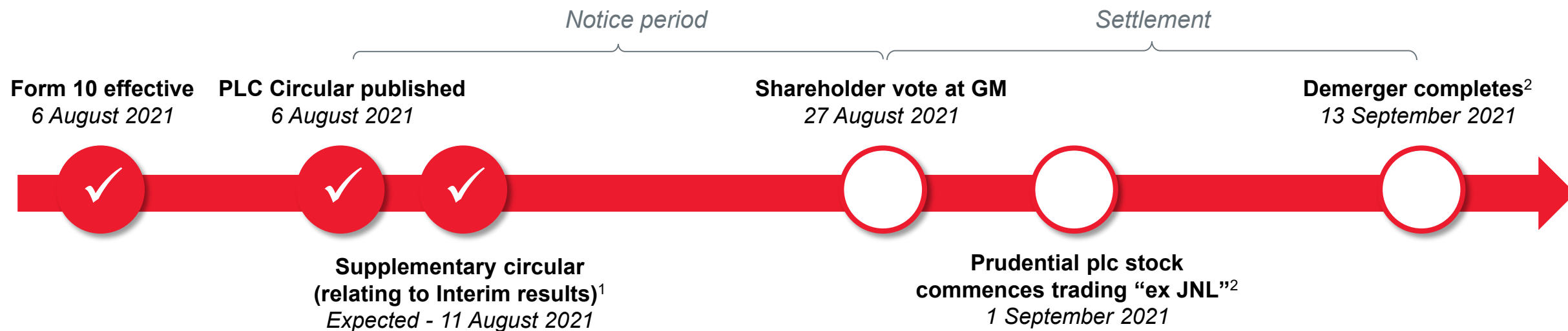
# Group

## APE reflects the timing & scale of Covid-related restrictions



- Significant Covid restrictions continue – including in Indonesia, Malaysia, Thailand and the Philippines
- More stringent movement conditions recently introduced in India, Singapore and Vietnam
- Continuing uncertainty over the extent & timing of the re-opening of the HK/MLC border
- Pace of vaccination programmes (which may occur over a prolonged period of time) & their effect will vary substantially by market. Uncertainty over the economic outlook & the performance of the business in the short-term
- Confident demand for our products will continue to grow in line with the structural growth in our chosen markets

## Intended separation of the US business



# Group

## Key messages

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- Resilient performance and pandemic reinforces structural demand and social purpose
- Enhancing capabilities to build on substantial competitive advantages
- On track for proposed demerger of Jackson in September 2021<sup>1</sup>
- Continue to consider raising new equity of around \$2.5-3bn to enhance financial flexibility
- Well positioned to capture future long-term growth opportunities

# Mark FitzPatrick

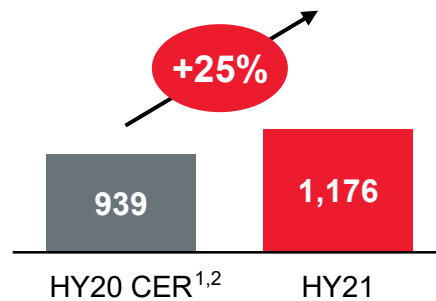
Group CFO & COO

# Prudential plc

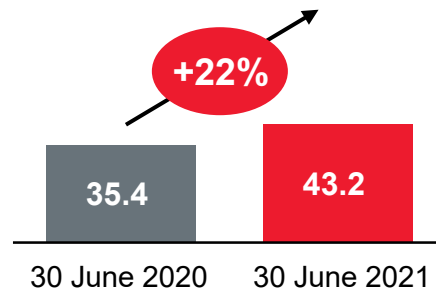
## HY21 Financial highlights

### 1. Growing Value

New business profit, \$m

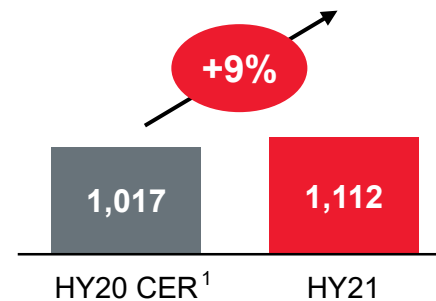


Group EEV, continuing operations \$bn

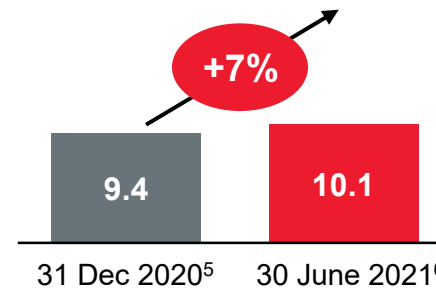


### 2. Growing Capital

Operating free surplus generation, Life & asset management \$m<sup>3</sup>

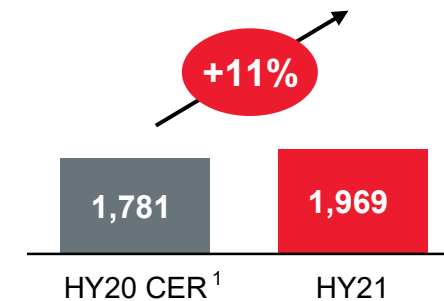


Estimated Shareholder GWS surplus ex Jackson, \$bn<sup>4</sup>

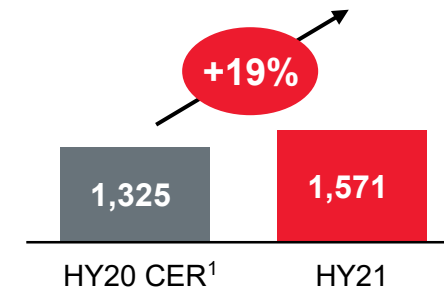


### 3. Growing Earnings

Segment IFRS operating profit, \$m



Group IFRS operating profit, continuing operations, \$m



1. Constant exchange rate basis (CER)

2. The half year 2020 new business profit results exclude contributions from Africa

3. Operating free surplus generated is for long-term and asset management businesses only, before restructuring and IFRS 17 implementation costs, centrally incurred costs and eliminations

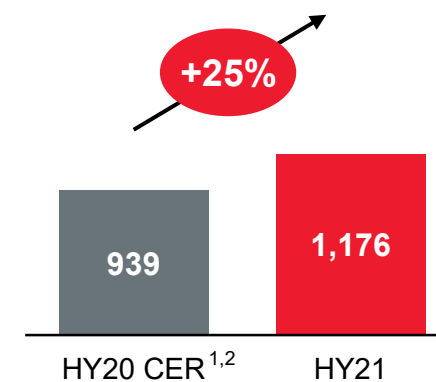
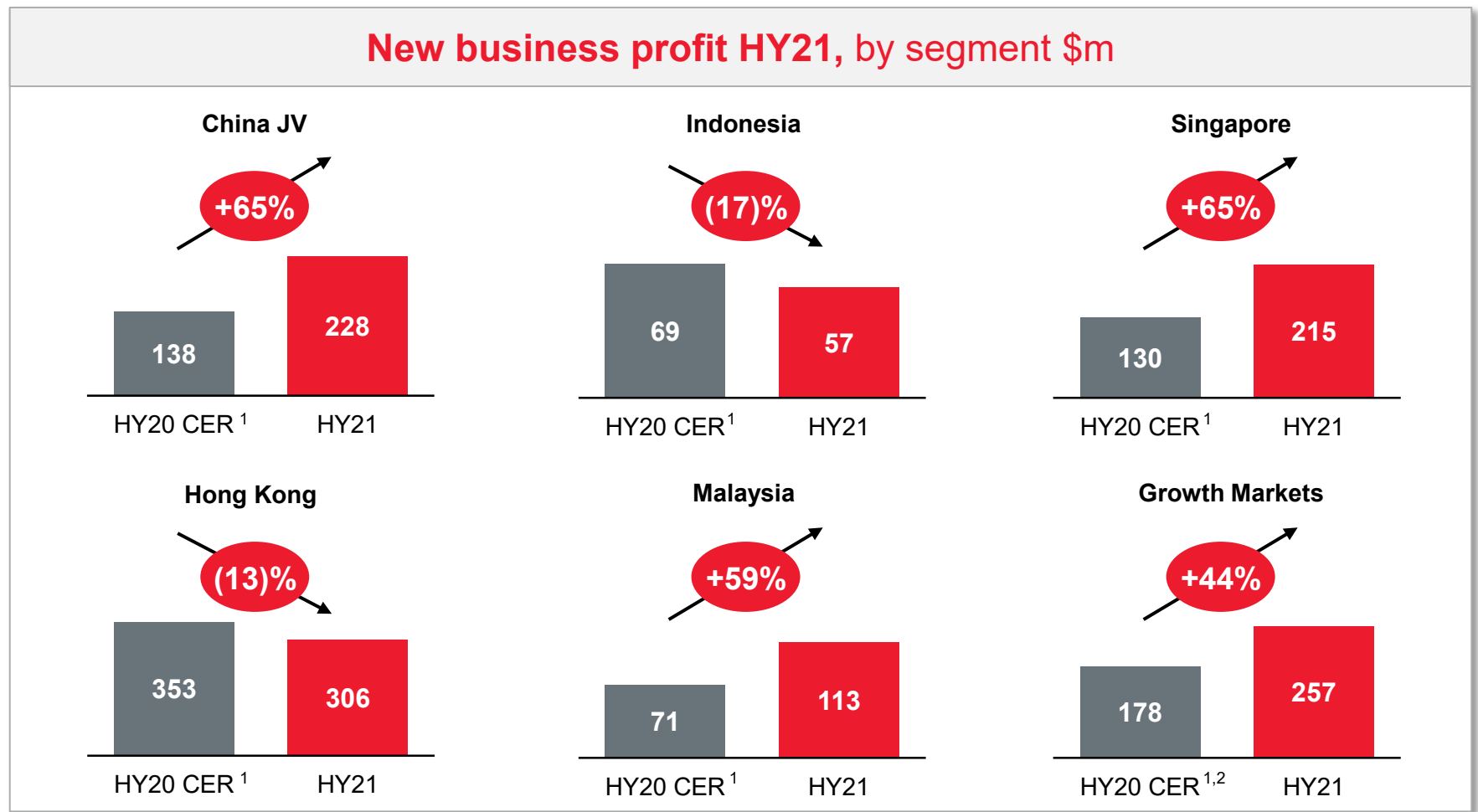
4. Ratio of capital resources over Group minimum capital requirement attributable to shareholder business calculated in accordance with the GWS Framework with central senior and sub-ordinated debt held at 14 May 2021 grandfathered as capital as agreed by the Hong Kong IA. Shareholder business excludes the capital resources and minimum capital requirement of participating business in Hong Kong, Singapore and Malaysia. The Group excluding Jackson GWS capital positions are presented before including the value of the proposed retained 19.7 per cent non-controlling economic interest in US operations. This retained interest is expected to be included in the Group GWS capital resources valued at 60 per cent of the market value

5. Before allowing for the 2020 second interim ordinary dividend

6. Before allowing for the impact of the 2021 first interim ordinary dividend

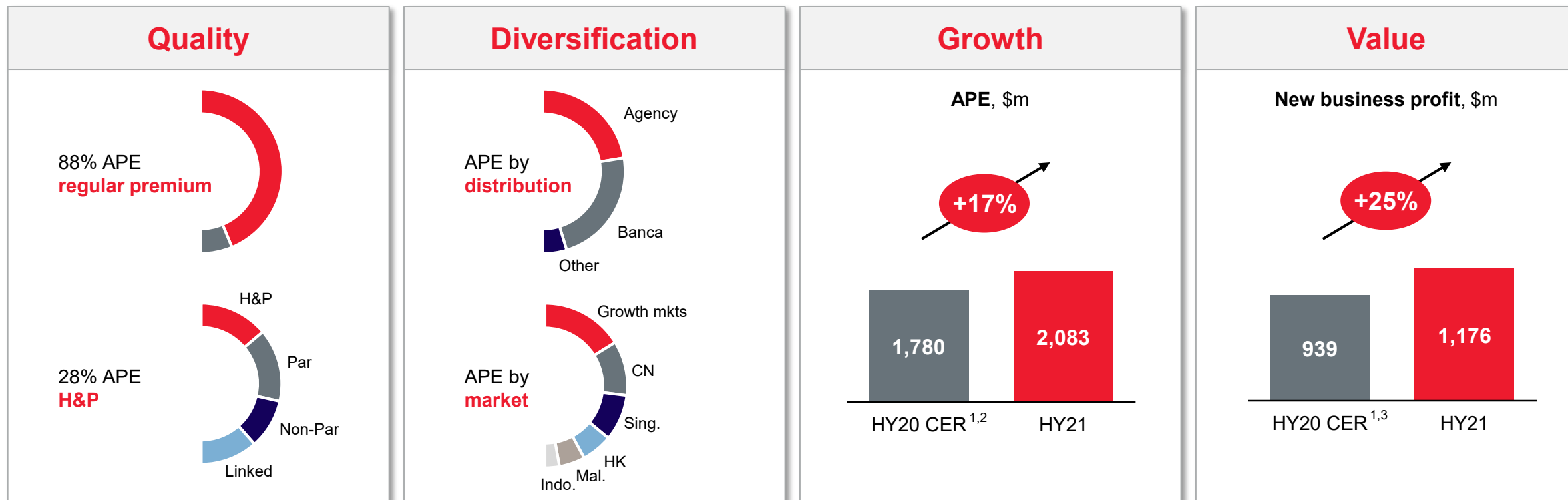
# 1. Growing value

Broad-based HY21 performance: 9 markets delivered double-digit NBP growth



# Growing value

## NBP growth supported by quality focus and multi-channel distribution platform



- Discipline in prioritising regular premium and H&P new business
- Broad-based rebound, favourable shifts in channel & product mix & higher rates drive increased NBP margin
- \$158m<sup>4</sup> of APE involving Pulse, representing 10% of APE in markets where Pulse is available

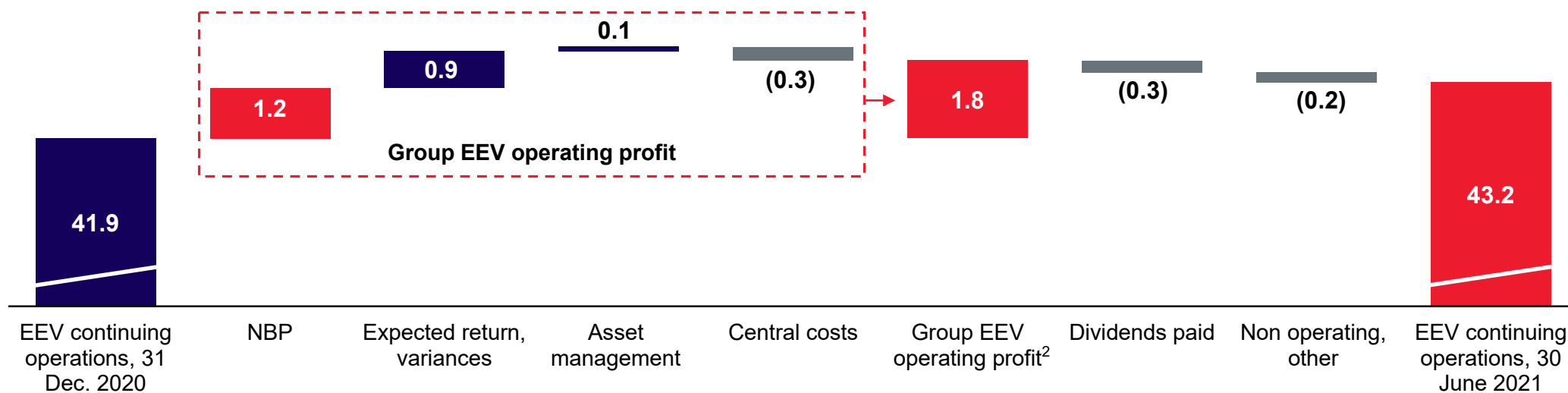
1. Constant exchange rate basis (CER)  
 2. The half year 2020 APE result includes contributions from Africa  
 3. The half year 2020 new business profit result excludes contributions from Africa  
 4. Over HY21, APE sales involving Pulse are sales completed by agents on leads from digital campaigns captured within the Pulse customer management system or on leads from Pulse registrations, together with a small number of policies purchased via Pulse online



# Growing value

## NBP drives EEV growth

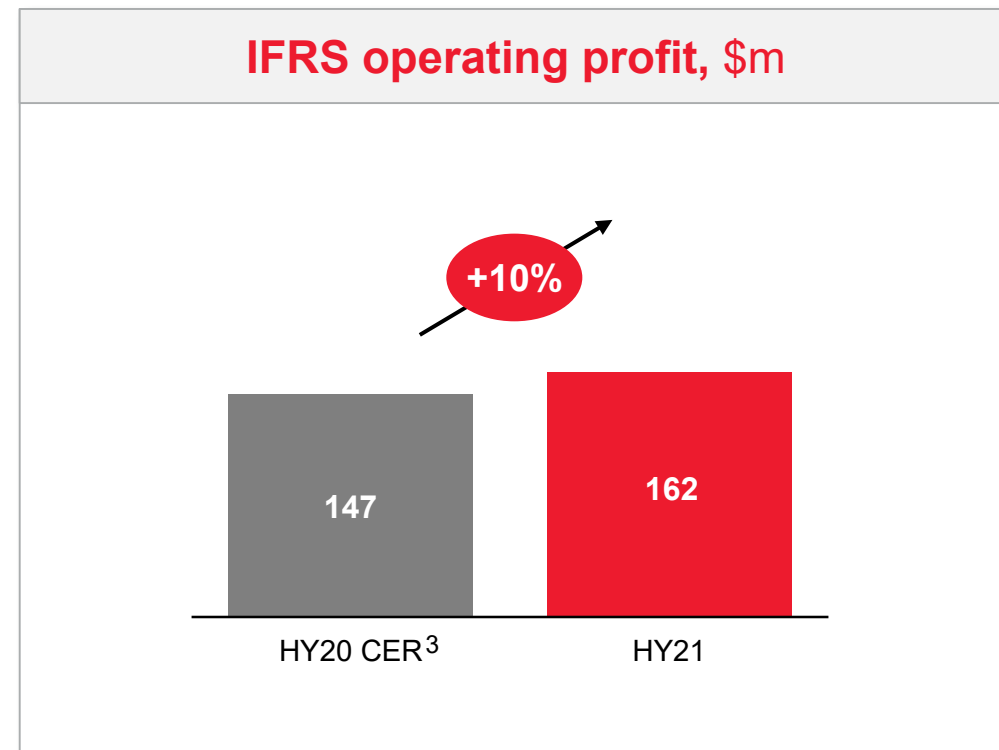
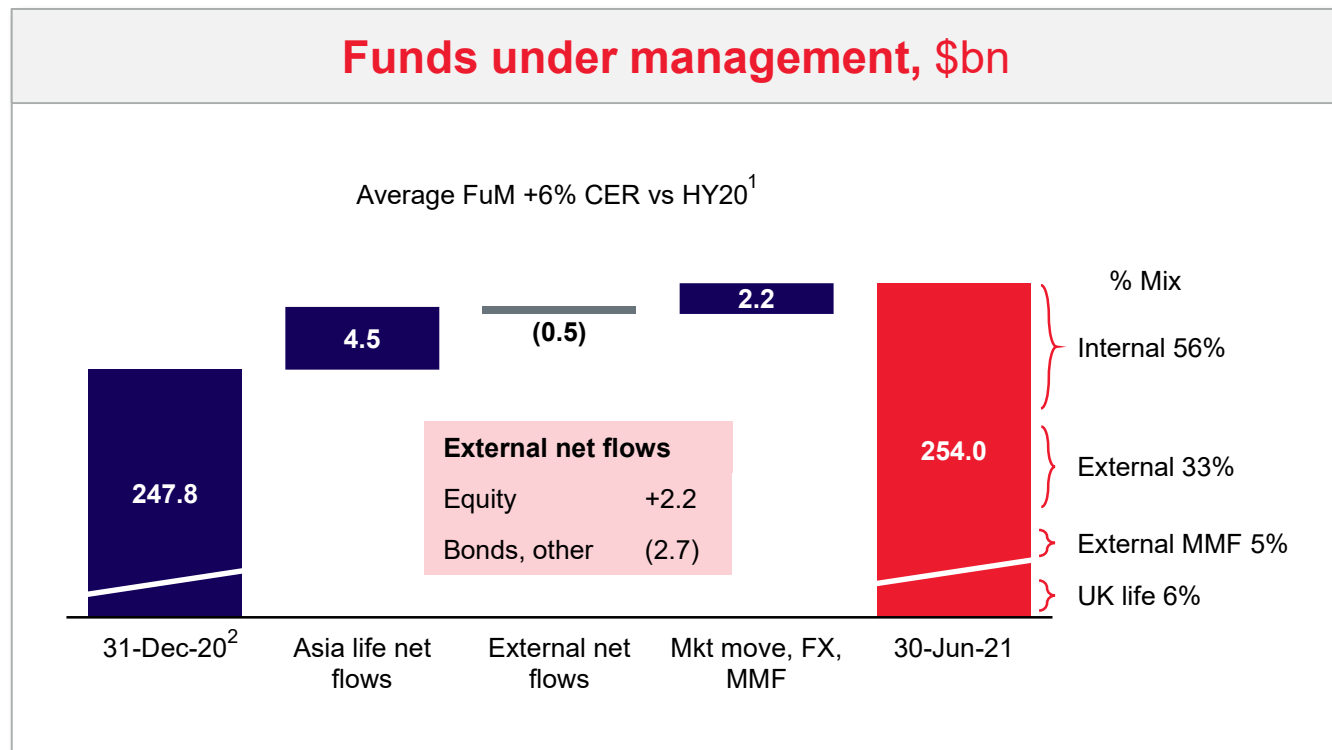
### Group EEV development in HY 2021, continuing operations \$bn<sup>1</sup>



- NBP is the largest driver of EEV operating return
- Expected return increased by 15% YoY reflecting in-force growth and higher EEV risk discount rate
- Non-op and other movements reflect favourable below-the-line movements and adverse FX
- Focus on achieving long-term double-digit growth in EEV/share

# Growing value

## Eastspring operating profit +10%



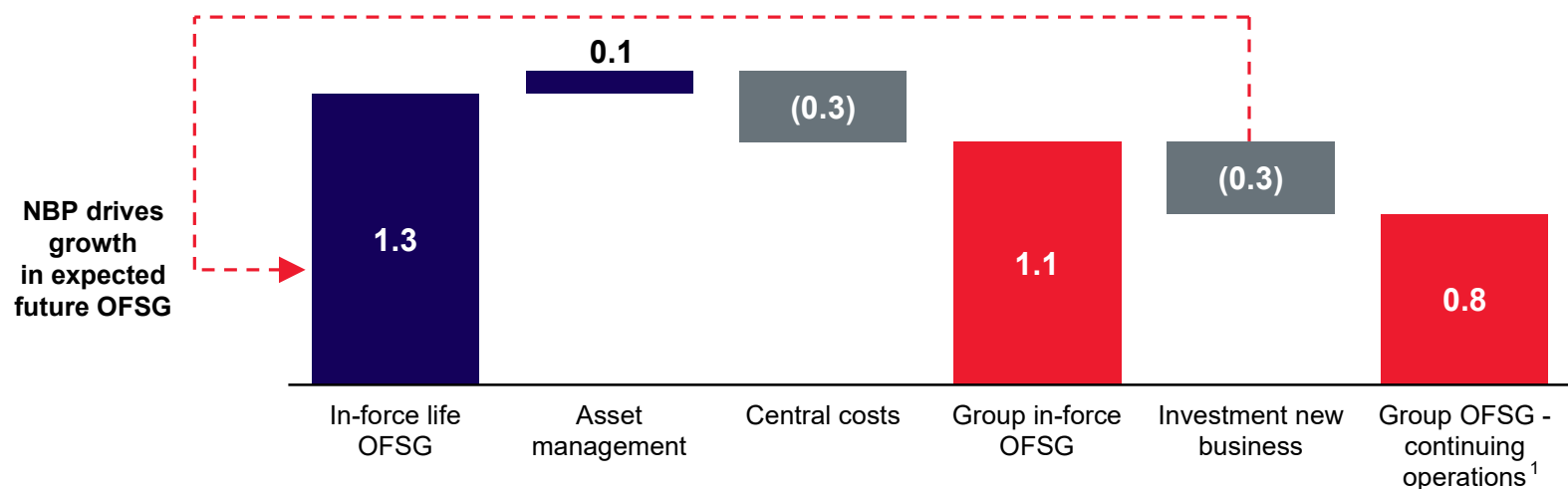
- Net flows reflect strong internal development, positive external equity in-flows offset by bond out-flows
- Equity investment performance continues to improve; fixed income performance remains strong on 3Y and 5Y view
- Fee revenues driven by higher average FuM & improved revenue margin. Cost/income ratio 52% in-line with FY20

# 2. Growing capital

## Reinvestment of OFSG drives compounding value

**Every \$1 reinvested created ~\$4 of New Business Profit**

Group OFSG, continuing operations HY21 \$bn



Holding company cash flow, HY21 \$m

31 December 2020	1,463
Total net cash remitted	1,035
Net interest paid	(163)
Corporate activities <sup>2</sup>	(216)
Centrally funded recurring banca fees	(176)
Dividend paid	(283)
Non-recurring bancassurance, other <sup>3</sup>	(267)
30 June 2021	1,393

- \$0.3bn invested in new business generated \$1.2bn in new business profit, driving growth in future expected OFSG
- Life and asset management OFSG +9% YoY
- Substantial flexibility to invest in new business and strategic growth opportunities
- HY21 remittance level reflects timing differences; not expected to recur at the same level in 2H21

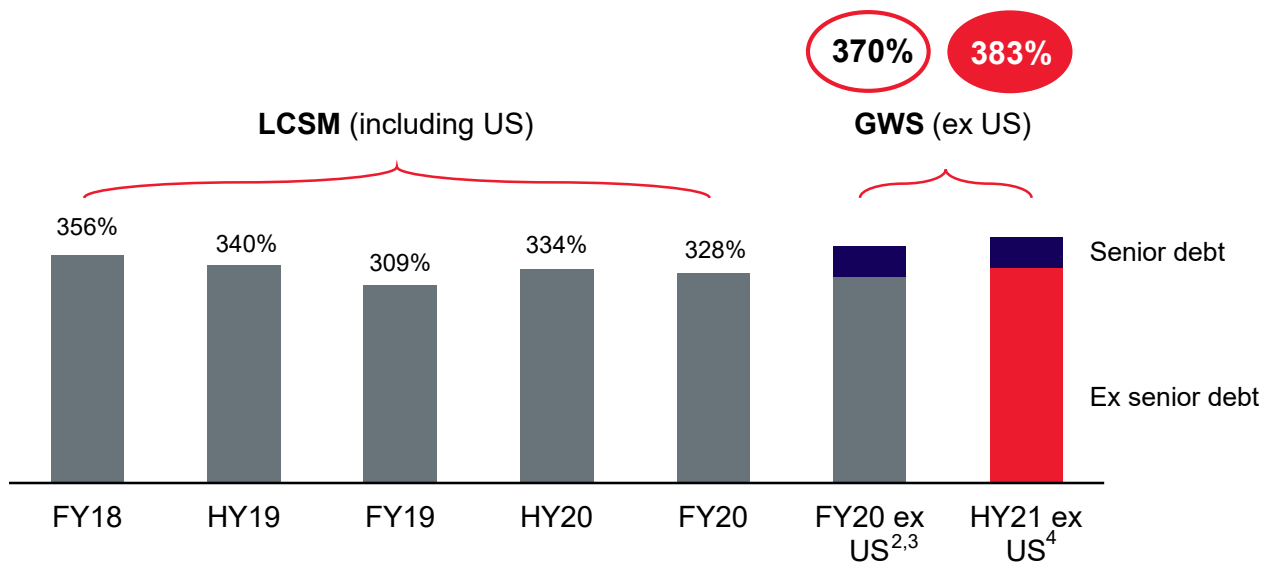
1. Before restructuring and IFRS 17 implementation costs

2. \$216m comprises \$160m of corporate activities and \$56m of centrally funded regulatory and restructuring costs including IFRS17 implementation and the costs of aligning our core functions and processes to support Asia growth

3. Includes central contributions to the funding of Asia and Africa strategic growth initiatives, principally non-recurring payments for bancassurance distribution agreements including UOB and MSB

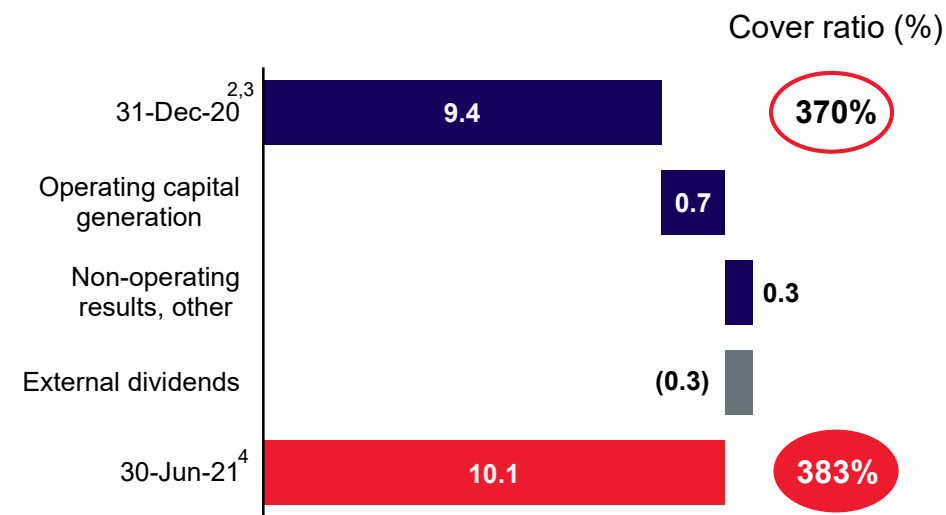
### Building track record

Estimated shareholder % LCSM/GWS cover ratio ex Jackson<sup>1</sup>, 2018-HY21



### Capital generative

Estimated shareholder GWS surplus development ex Jackson, HY21 \$bn<sup>1</sup>



- GWS framework effective following designation by HKIA as insurance holding company on 14 May 2021
- Grandfathering of subordinated and senior debt as capital confirmed as expected. Senior debt 47%pt contribution to end June cover ratio
- GWS methodology largely consistent with LCSM other than the treatment of debt instruments

1. Prudential applies the Insurance (Group Capital) Rules set out in the Group-wide Supervision (GWS) Framework issued by the Hong Kong Insurance Authority (IA) to determine group regulatory capital requirements (both minimum and prescribed levels). The GWS Framework became effective for Prudential upon designation by the Hong Kong IA on 14 May 2021 and replaced the local capital summation method (LCSM) which was used for determination of the 31 December 2020 Group capital position as agreed with the Hong Kong IA. The GWS methodology is largely consistent with that previously applied under LCSM with the exception of the treatment of debt instruments which are subject to transitional arrangements under the GWS Framework. Under the GWS Framework, all debt instruments (senior and subordinated) issued by Prudential plc at the date of designation meet the transitional conditions set by the Hong Kong IA and are included as eligible Group capital resources. Under the LCSM, only specific bonds (being those subordinated debt instruments issued by Prudential plc at the date of demerger of M&G plc) were included as eligible Group capital resources. The Group excluding Jackson GWS capital positions are presented before including the value of the proposed retained 19.7 per cent non-controlling economic interest in US operations. This retained interest is expected to be included in the Group capital resources valued at 60 per cent of the market value, although this is subject to final agreement with the Hong Kong IA

2. Had Prudential been subject to the GWS Framework at 31 December 2020 on a Group excluding Jackson basis the shareholder GWS capital surplus (over GMCR) would have been \$9.4 billion equivalent to a coverage ratio of 370 per cent, compared to a surplus of \$7.8 billion and coverage ratio of 323 per cent as reported under the LCSM

3. Before allowing for the 2020 second interim ordinary dividend

4. Before allowing for the impact of the 2021 first interim ordinary dividend

# Growing capital

## Resilient GWS position

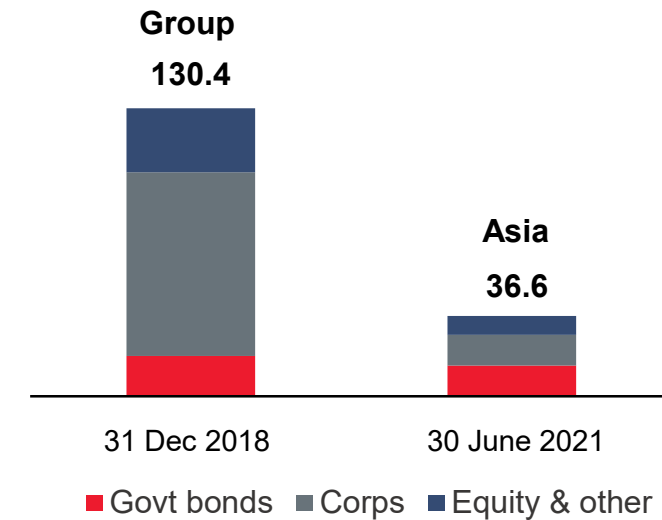
### GWS resilient to macro stress

Estimated group capital surplus ex Jackson, 30 June 2021 \$bn<sup>1,2,3</sup>

Scenario	Impact on Solvency ratio
HY21 estimated surplus <sup>1,3</sup> \$10.1bn	383%
10% equity increase \$0.3bn	389% 6%p
20% equity fall \$(0.6)bn	377% (6)%p
40% equity fall \$(1.0)bn	379% (4)%p
50bps reduction interest rates \$(0.3)bn	363% (20)%p
100bps increase interest rates \$(0.5)bn	381% (2)%p
100bps credit spread widening \$(0.3)bn	382% (1)%p

### High quality shareholder asset exposure

Shareholder asset exposure, 2018 Group vs HY21 Asia, \$bn



- Limited macro exposure reflects H&P, unit-linked & with-profits focus
- Shareholder assets of Asia business ~4x smaller than 2018 group position pre demerger

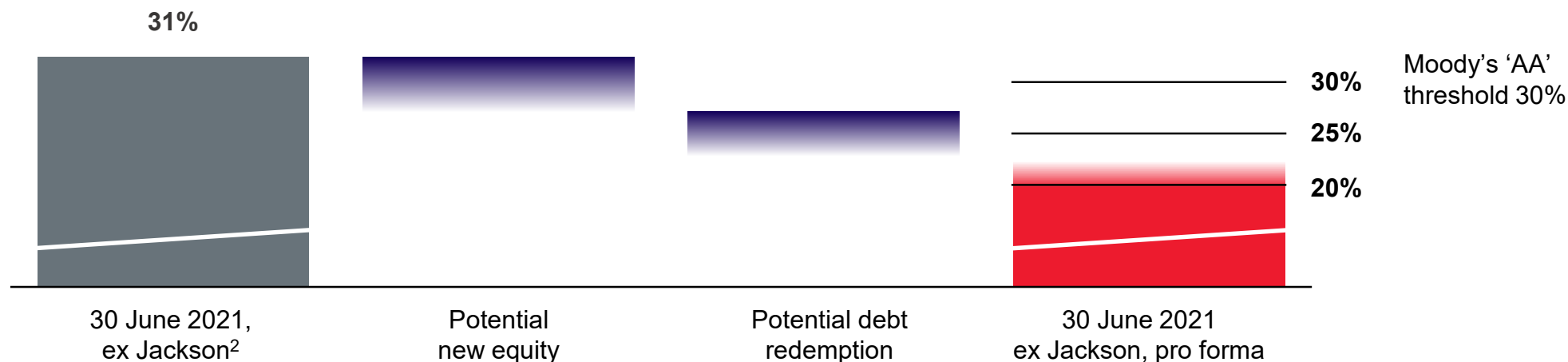
1. Prudential applies the Insurance (Group Capital) Rules set out in the Group-wide Supervision (GWS) Framework issued by the Hong Kong Insurance Authority (IA) to determine group regulatory capital requirements (both minimum and prescribed levels). The GWS Framework became effective for Prudential upon designation by the Hong Kong IA on 14 May 2021 and replaced the local capital summation method (LCSM) which was used for determination of the 31 December 2020 Group capital position as agreed with the Hong Kong IA. The GWS methodology is largely consistent with that previously applied under LCSM with the exception of the treatment of debt instruments which are subject to transitional arrangements under the GWS Framework. Under the GWS Framework, all debt instruments (senior and subordinated) issued by Prudential plc at the date of designation meet the transitional conditions set by the Hong Kong IA and are included as eligible Group capital resources. Under the LCSM, only specific bonds (being those subordinated debt instruments issued by Prudential plc at the date of demerger of M&G plc) were included as eligible Group capital resources. The Group excluding Jackson GWS capital positions are presented before including the value of the proposed retained 19.7 per cent non-controlling economic interest in US operations. This retained interest is expected to be included in the Group capital resources valued at 60 per cent of the market value, although this is subject to final agreement with the Hong Kong IA

2. The sensitivity results above assume instantaneous market movements and reflect all consequential impacts as at the valuation date

3. Before allowing for the impact of the 2021 first interim ordinary dividend

### Targeting reduced debt leverage

Moody's total leverage ratio (%)<sup>1</sup>



- Moody's total leverage target of 20-25% over the medium term
- May operate outside this range temporarily to take advantage of growth opportunities with attractive risk-adjusted returns
- To accelerate de-levering and enhance financial flexibility, considering raising new equity of around \$2.5-3 billion
- \$2.25bn debt past 1st call, ~\$125m pa associated interest costs

1. Calculated on a Moody's total leverage basis, which is the basis management intend to use going forward to manage leverage and takes into account gross debt, including commercial paper, and also allows for a proportion of the surplus within the Group's with-profits fund

2. Post the separation of Jackson (based on the balance sheet at 30 June 2021, and before allowing for the 19.7 per cent non-controlling economic interest in Jackson), on a Moody's basis

# 3. Growing earnings

## Resilient, broad-based growth. H&P drives segment IFRS operating profit

### Broad-based growth, at scale

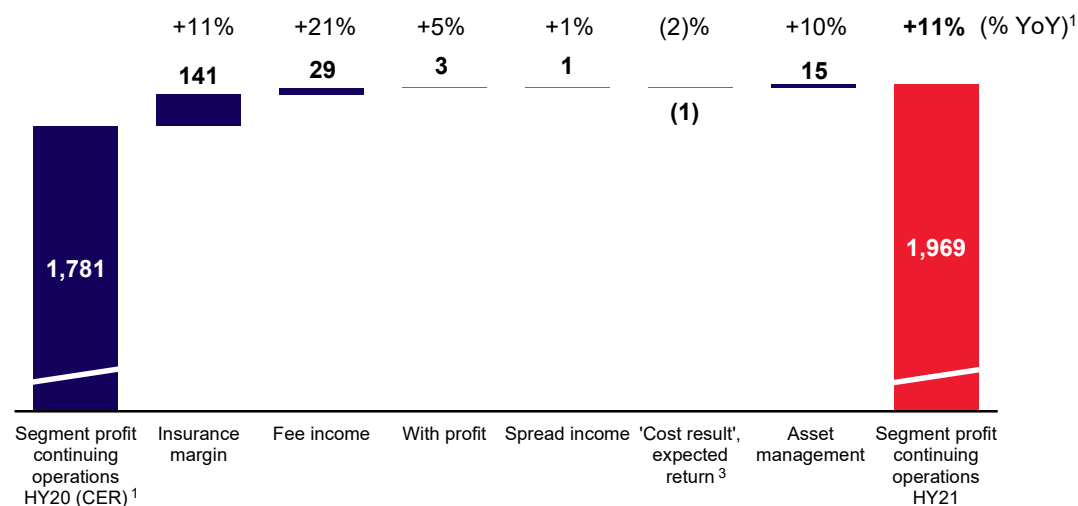
#### HY21 IFRS operating profit by segment

	\$m	% YoY <sup>1</sup>
China JV	139	28%
Singapore	320	16%
Growth Markets & other	479	15%
Hong Kong	460	12%
Malaysia	184	12%
Eastspring	162	10%
Indonesia	225	(12)%

10 businesses with double digit growth<sup>1,2</sup>

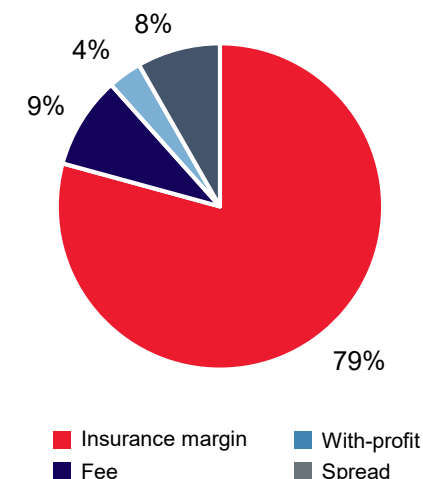
### Compounding H&P business drives 11% growth

#### HY21 IFRS segment operating profit, continuing operations \$m



### High quality earnings

#### HY21 IFRS long-term insurance income<sup>4</sup>



- Insurance margin +11% (HY20: +19%) reflecting in-force growth; normalisation of claims experience & higher Covid related claims in Indonesia & India
- Fee income +21% in-line with growth in average unit-linked balance

1. Constant exchange rate basis (CER)  
 2. Table excludes Thailand, Vietnam, Philippines, Taiwan, Africa (HY21 CER double digit growth or above in IFRS operating profit)  
 3. 'Cost result' includes margin on revenues, acquisition costs, administration expenses and DAC adjustments.  
 Expected return is Expected return on shareholder assets  
 4. Life insurance income includes insurance margin, spread income, life fee income and with-profits  
 Excludes margin on revenue and expected return on shareholder assets

# Growing earnings

## Positive operating leverage as central costs reduce

### Group IFRS result, \$m

	HY20 (CER <sup>1</sup> )	HY21	% Growth
<b>Total segment profit from continuing operations</b>	<b>1,781</b>	<b>1,969</b>	<b>11</b>
Interest payable	(153)	(164)	(7)
Corporate expenditure	(212)	(157)	26
Restructuring, IFRS 17 costs	(99)	(77)	22
Investment return, other	8	0	~
<b>Total central overhead</b>	<b>(456)</b>	<b>(398)</b>	<b>13</b>
<b>Total adjusted operating profit before tax</b>	<b>1,325</b>	<b>1,571</b>	<b>19</b>
ST flux	(421)	(212)	50
Other	(2)	(96)	~
<b>Profit from continuing operations before tax attributable to shareholders</b>	<b>902</b>	<b>1,263</b>	<b>40</b>
Tax	(249)	(193)	22
<b>Profit from continuing operations</b>	<b>653</b>	<b>1,070</b>	<b>64</b>
Loss from discontinued operations for the period, net of related tax	(88)	(5,707)	~
(Loss) profit for the period	565	(4,637)	~

- Segment profit +11%, adjusted op. profit +19%
- Central overhead improvement reflects delivery of \$180m pa savings from 1/1/21. Further \$70m pa reduction by start 2023
- ST flux reflects net impact higher interest rates on bond values & on the valuation interest rates (VIRs) used to determine policyholder liabilities
- Jackson HY21 PBT \$2.2bn (HY20: \$(0.2)bn). New VA sales +30%
- Loss from discontinued operations driven by Jackson's classification as held for distribution:
  - Profit after tax of \$1.8bn
  - Remeasurement to fair value resulting in write-down of \$(7.5)bn (at 100%)
  - Loss of \$(5.7)bn. \$(5.1) billion attributable to Prudential's 88.9% economic interest (pre demerger)



- Broad-based HY21 performance: 9 markets delivered double-digit NBP growth
- NBP drives EEV growth. Group EEV continuing operations \$43.2 billion
- Continuing to reinvest at attractive returns; every \$1 invested added ~\$4 in NBP
- Central overhead costs reduced; further improvement from expected cost and financing actions
- GWS cover ratio at 383%<sup>1</sup>; grandfathering of subordinated and senior debt as expected
- Clear route to enhancing financial flexibility

1. Estimated position at 30 June 2021. Ratio of capital resources over Group minimum capital requirement attributable to shareholder business calculated in accordance with the GWS Framework with central senior and sub-ordinated debt held at 14 May 2021 grandfathered as capital as agreed by the Hong Kong IA. Shareholder business excludes the capital resources and minimum capital requirement of participating business in Hong Kong, Singapore and Malaysia. The Group excluding Jackson GWS capital positions are presented before including the value of the proposed retained 19.7 per cent non-controlling economic interest in US operations. This retained interest is expected to be included in the Group GWS capital resources valued at 60 per cent of the market value. Before allowing for the impact of the 2021 first interim ordinary dividend

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# Appendix

## 2021 Interim Results

### Contents:

CEO appendix	28
CFO appendix	43

# CEO appendix



# Well positioned for further long-term profitable growth

Diversified franchise, with leading presence in markets with favourable macro backdrop

	HY21 IFRS adjusted operating profit	Life position <sup>1</sup>	Eastspring position <sup>5</sup>	Insurance penetration <sup>6</sup>	Total health protection gap <sup>7</sup>	GDP growth forecast <sup>8</sup>
<b>China JV</b>	\$139m	✓	✓	2.4%	\$805bn	7.6%
<b>Hong Kong</b>	\$460m	Top 3	Top 10	19.2%	\$23bn	4.7%
<b>Indonesia</b>	\$225m	Top 3	Top 10	1.4%	\$82bn	6.8%
<b>Malaysia</b>	\$184m	Top 3 <sup>2</sup>	Top 10	4.0%	\$47bn	6.6%
<b>Singapore</b>	\$320m	Top 3 <sup>3</sup>	Top 10	7.6%	\$23bn	3.4%
<b>Philippines</b>	\$58m	Top 3	--	1.2%	\$32bn	6.3%
<b>Taiwan</b>	\$47m	✓	✓	14.0%	\$41bn	5.1%
<b>Thailand</b>	\$91m	✓	Top 10	3.4%	\$6bn	5.4%
<b>Vietnam</b>	\$147m	Top 3	Top 10	1.6%	\$36bn	8.9%
<b>India</b>	n/a	Top 3 <sup>4</sup>	Top 10	3.2%	\$369bn	7.3%

Selected Growth markets

1. As reported at full year 2020 (calendar year 2020 for India). Sources include formal (e.g. competitors results release, local regulators and insurance association) and informal (industry exchange) market share data. Ranking based on new business (APE sales, weighted full year premium or full year premium depending on availability of data) or total weighted revenue premiums  
 2. Includes Takaful, excludes Group business  
 3. Includes onshore only  
 4. Private players only  
 5. Source: Asia Asset Management –Fund Manager Surveys. Based on assets sourced in Asia ex-Japan, Australia and New Zealand. Ranked according to participating firms only

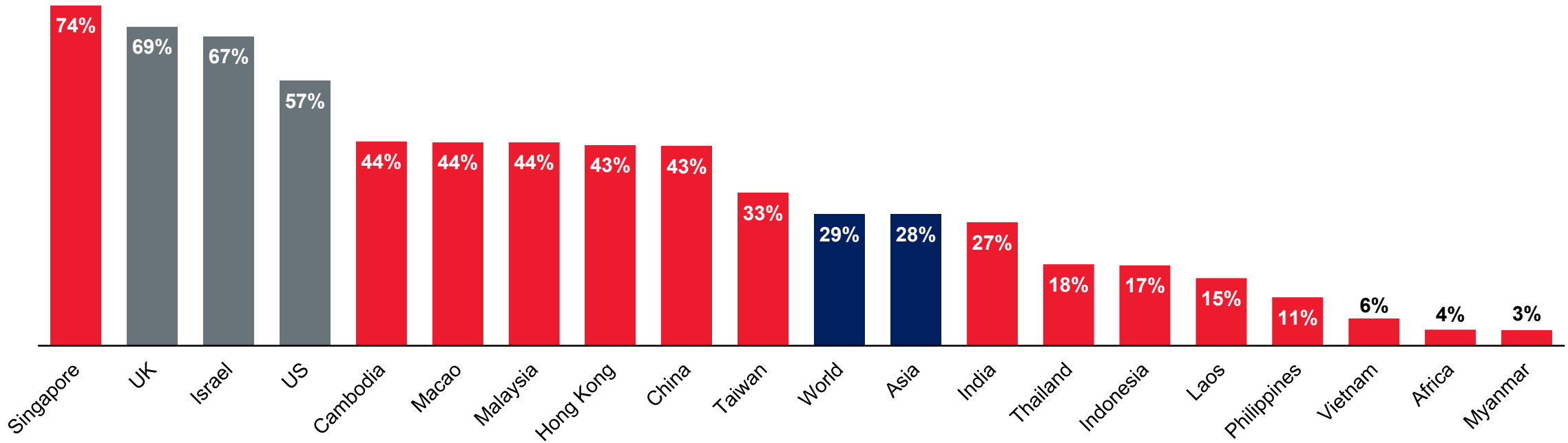
6. Swiss Re Institute; sigma No 3/2021 – life insurance penetration (premiums as a percentage of GDP)  
 7. Swiss Re Institute. The health protection gap in Asia, October 2018. Estimated total national health protection gap as defined by Swiss Re Institute (financial stress caused by health spending and incidence of people not seeking treatment due to affordability)  
 8. Represents a CAGR of forecast GDP per capita between 2021 and 2025 and is based on IMF World Economic Outlook Database, April 2021



# Operating environment

## Covid-19 vaccinations worldwide

Share of total population that has received at least one dose of Covid-19 vaccine



## Our distinct set of advantages

### Improving agent quality and productivity

**11.6k<sup>1</sup>**

MDRT members,  
up **+77%** YoY

**+19%**

Increase in APE  
per active agent<sup>2</sup>

### Expanding bancassurance

**>28k**

Bank branch access<sup>2</sup>

**11**

Asian markets with  
double-digit NBP growth

**>130**

Bank partnerships

**8**

Asian markets with banca  
margin expansion

### Continued innovation

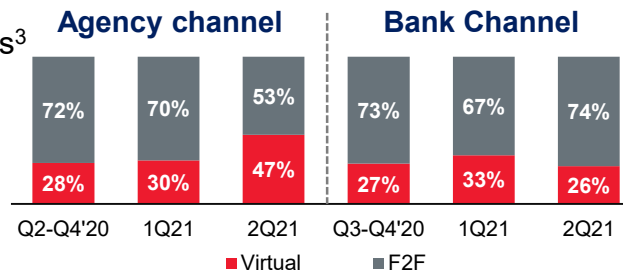
**c100**

New and revamped products<sup>3</sup>  
in 1H21,  
contributing **c9%** of APE<sup>4</sup>

**>70**

New traditional and  
H&P products

#### Virtual & F2F case mix of new cases



Virtual onboarding a new embedded capability

### Accelerating Eastspring

Unique with-  
profits savings  
offering

**\$91bn**

AUM (+18% YoY<sup>5</sup>)

**\$254bn**

AUM, up

**+16%** YoY<sup>5</sup>

**Top 10**

rank in 7 out of  
11 markets<sup>6</sup>

Data as of 1H21 and growth rates on YoY and constant exchange rate basis unless otherwise stated

1. MDRT statistics as at 1 July 2021, based on Jan 2020 to Dec 2020 production period

2. Including India and Africa

3. Includes 27 bite-sized digital products

4. Based on new and revamped products launched in 1H21

5. On an actual exchange rate basis

6. Source: Singapore and Singapore (Morningstar), Malaysia (Lipper), Thailand (Association of Investment Management Companies), Korea (Korea Financial Investment Association), India (Association of Mutual Funds in India), Japan (Investment Trust Association, Japan), Taiwan (Securities Investment Trust & Consulting Association of ROC), China (Wind), Indonesia (Otoritas Jasa Keuangan), Vietnam (State Securities Commission of Vietnam). All markets as at Dec 2020.



## Our distinct set of advantages

### Extending China footprint

**20** branches and presence in 99 cities

Access to **>80%** of China's GDP and GWP<sup>1</sup>

**81%** Agency margin

**+73%** Banca NBP growth

### Established **pulse** ecosystem by Prudential

**17** markets<sup>2,3</sup>

**c30m** downloads<sup>2</sup>

**47** digital partnerships<sup>2</sup>

**\$158m** APE sales involving Pulse<sup>4</sup>

### Market leading franchise in India

#### Life

**16%** market share<sup>5</sup>

**~700** partnerships including 23 bank partners<sup>6</sup>

#### Asset Management

**13%** market share<sup>7</sup>

**#3** asset manager with **\$58bn** AUM (@100%)

### Reinforced leadership in Sharia

**+49%** APE growth<sup>8</sup>

**+50%** NBP growth<sup>8</sup>

**+89%** growth in new policies<sup>8</sup>

**#1** in Malaysia Takaful with 32% market share<sup>9</sup>

**#1** in Indonesia Sharia with 35% market share<sup>9</sup>

Access to **240m** Muslims in South East Asia<sup>10</sup>

Data as of 1H21 and growth rates on YoY and constant exchange rate basis unless otherwise stated

1. 2020 data for GDP and GWP. Sources from National Bureau of Statistics and CBIRC

2. As of 5 August 2021

3. Includes 11 Asian markets and 6 African markets

4. As of HY2021. APE sales involving Pulse are sales completed by agents on leads from digital campaigns captured within the Pulse customer management system or on leads from Pulse registrations, together with a small number of policies purchased via Pulse online

5. Based on new business sum assured for HY21, Source: IRDAI

6. Source: ICICI Prudential Investor Presentations for Q1-2022

7. Based on Indian financial year (YE 31 March)

8. Combined Indonesia Sharia and Malaysia Takaful business as at HY21

9. As of FY2020. By weighted new business premium

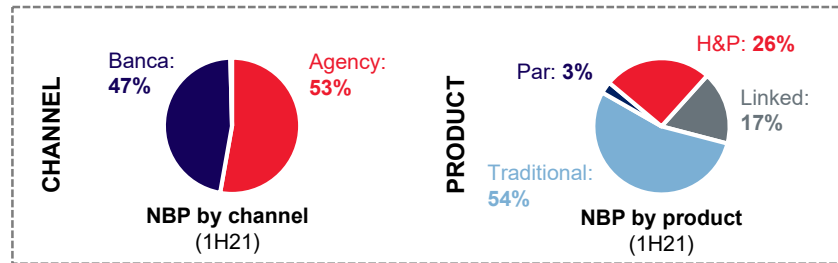
10. Source: Oxford Islamic Studies Online

# China

## Leveraging strong strategic platform

Well diversified businesses

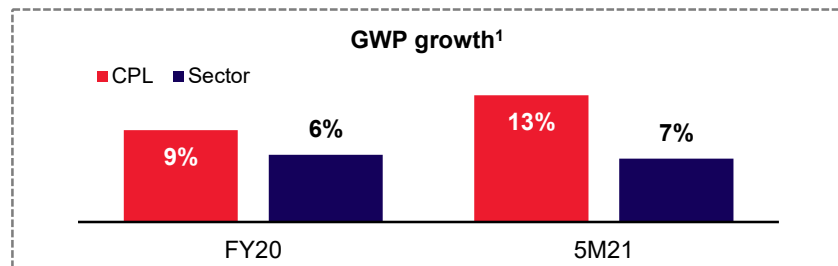
### Distinct strengths



Strengthening distribution capabilities

- Building quality in agency, with NBP up **+67%** and case per “active” up **+24%** in 1H21
- Banca NBP **+73%** in 1H21, supported by improved product mix and extensive networks (+7 YoY to **44** bank partners; **4,105** bank outlets; **2,506** Insurance Specialists)

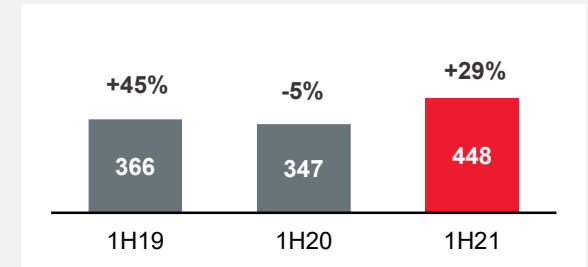
Outgrowing the industry



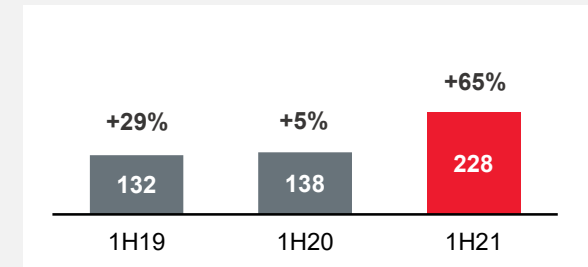
### Execution

(Size of bars represents actual in \$m; **XX%** indicates YoY growth)

**APE**



**NBP**



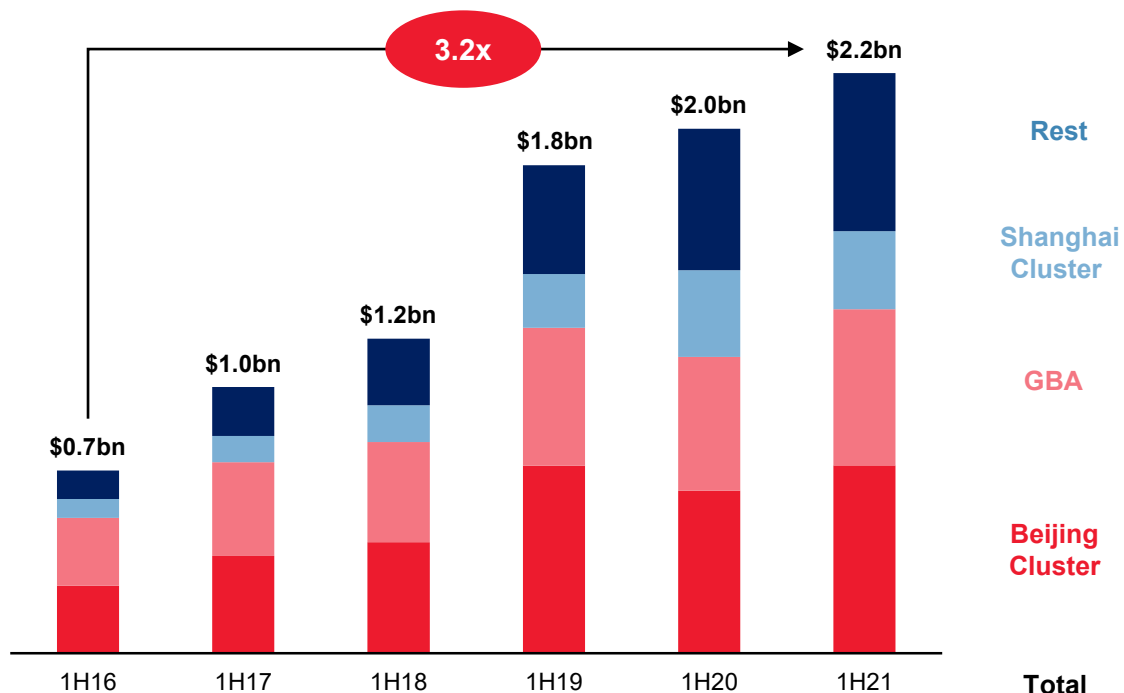
**Margin**

	1H16	1H21
Agency margin	22%	81%
Banca margin	20%	42%
Overall margin	20%	51%

# China

## Our “City Cluster” Model

Citic-Prudential Life (CPL) GWP<sup>1</sup>



**Beijing Cluster** = Beijing + Tianjin + Hebei

**GBA** = Guangdong (include Shenzhen branch), exclude Hong Kong & Macau

**Shanghai Cluster** = Jiangsu + Zhejiang + Shanghai + Anhui

**Rest** = Rest of China (not including Beijing Cluster, GBA and Shanghai Cluster)

- 100% CPL GWP under constant 1H21 exchange rate basis
- Based on 1H21 data for CPL and May-21 YTD data from CBIRC for China Market
- As at June-2021
- GWP market share represents market share of the cluster.
- GWP market share is on a total industry basis.
- Number of Banca Partners does not cast as some bank partners are partners in several clusters

	GWP CAGR (1H16-1H21)	GWP Mix % <sup>2</sup>		CPL GWP Market Share %		CPL Agency Channel <sup>3</sup>	CPL Banca Channel <sup>3</sup>	
		CPL	China Market	1H16	May-21 YTD	# of Agents	# of Partners <sup>6</sup>	# of Outlets
Rest	41%	27%	54%	0.09% <sup>4</sup>	0.32% <sup>4</sup>	7,375	8	1,580
Shanghai Cluster	33%	14%	23%	0.15% <sup>4</sup>	0.39% <sup>4</sup>	1,822	17	732
GBA	18%	27%	12%	0.96% <sup>4</sup>	1.48% <sup>4</sup>	7,233	25	1,021
Beijing Cluster	23%	32%	11%	0.88% <sup>4</sup>	1.93% <sup>4</sup>	4,937	17	772
<b>Total</b>	<b>26%</b>	<b>100%</b>	<b>100%</b>	<b>0.31%<sup>5</sup></b>	<b>0.65%<sup>5</sup></b>	<b>21,367</b>	<b>44</b>	<b>4,105</b>

# India

## Strong performance in both life and asset management

### ICICI-PRU Life: Market leading franchise with strong momentum

- Strong YoY rebound for APE (+33%) and NBP (+41%) in 1H21 supported by shift in mix to higher value protection and retirement products<sup>1</sup>
- **50** new partnerships in 1H21; **~700** total partnerships including **23** banks<sup>2</sup>
- **5m** policies<sup>3</sup> and **52m** lives covered through Group schemes<sup>4</sup>
- Life customers for private sector are projected to triple to **>120m** by 2030<sup>5</sup>

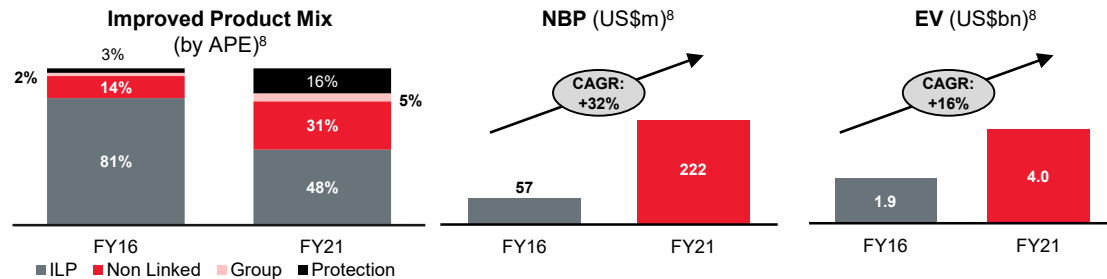


**#1** among private players<sup>6</sup>

**16%** market share<sup>6</sup>

**3.6m** customers<sup>3</sup>

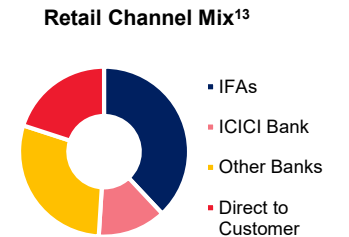
**194k** agents<sup>7</sup>



1. Retirement product denotes annuity products  
 2. Source: ICICI Prudential Investor Presentations  
 3. ICICI Prudential Life – As at 31 March 2021  
 4. As at 31 March 2021. Group schemes include lives covered under employee benefits, credit life and micro insurance  
 5. PCA estimates  
 6. Based on new business sum assured for HY21; Source: IRDAI; among private players only  
 7. As at 30 June 2021 @ 100%

### ICICI-PRU AMC: Top-3 player with diversified distribution

- Multi-channel distribution – retail customer base of **>7.4m**<sup>9</sup>
- Digital capabilities: **#1** rated AMC mobile app in mutual fund industry<sup>10</sup>
- 1H21 FUM **+21%**<sup>11</sup> YoY to **\$58bn**, driving **+54%** growth in post-tax operating profit
- “Mutual fund AUM is expected to grow at **+15%** CAGR over the next 10 years” (Source: ICICI Securities)<sup>12</sup>



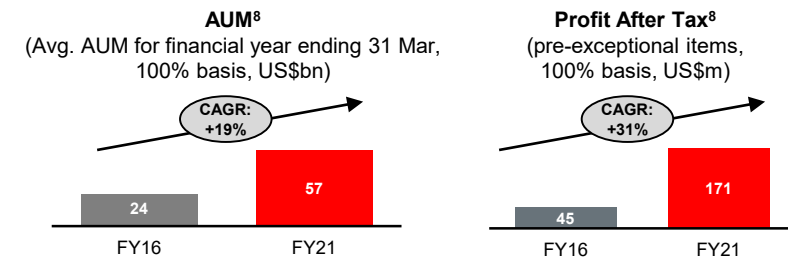
**#3** Asset Manager<sup>8</sup>

**13%** market share<sup>8</sup>

**1,800+** customers<sup>9</sup>

**350+** employees<sup>9</sup>

**350+** locations<sup>9</sup>



8. Financials are based on Indian financial year (YE 31 March) and shown on a 100% basis  
 9. As of 30 April 2021. Source: www.icicipruamc.com  
 10. Source: Google Play; as of March 2021  
 11. On Constant Exchange Rate (CER) basis  
 12. Source ICICI Securities equity research report dated 5 February 2021  
 13. As at December 2020

# Hong Kong

## Pivoting to domestic protection and managing all value levers

### Focus on quality

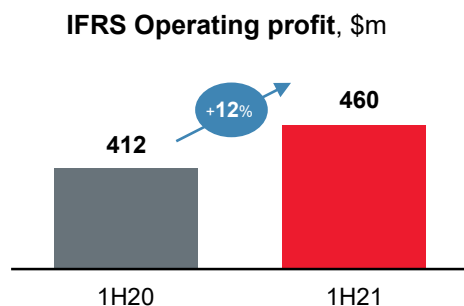
- Distinct strengths**
- **QDAP: Top 3** with **c.15%** market share<sup>1</sup>
  - **VHIS: APE >3x** higher, following mid-tier VHIS product launch
  - Domestic new **H&P** cases **+18%**
  - Regular premium mix **95%**; customer retention **99%**

### Strengthening distribution capabilities

- **MDRT** members increased by **+37%** to **4,790**<sup>2</sup>
- **Leading** regional partnership with Standard Chartered Bank



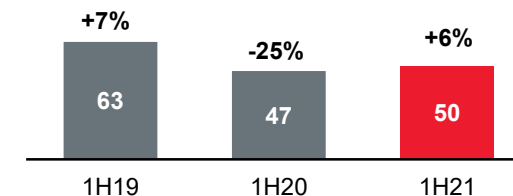
### Resilient IFRS Operating profit



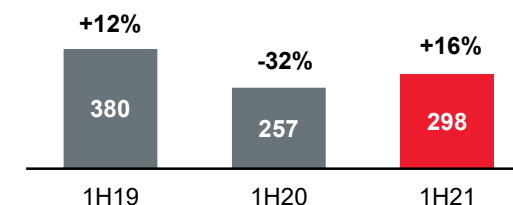
### Execution

(Size of bars represents actual in \$m; **XX%** indicates YoY growth)

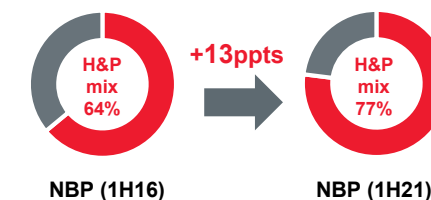
#### New cases (domestic; '000)



#### NBP (domestic)



#### NBP mix (domestic)



# Indonesia

## Resilience supported by broadening and strengthening capabilities

### Distinct strengths

#### Growth amid challenging backdrop

- Total new policies up **+67%** YoY from higher standalone protection sales
- Standalone protection APE up **2.5x** YoY; #1 ranked in agency traditional segment (35% market share)<sup>1</sup>
- Sharia new policies up **+173%** YoY, reflecting product expansion to mass segment
- Group business APE up **+26%**, ranked 6<sup>th</sup> in market<sup>1</sup>

#### Broadening product range

2020		2021	
NEW	NEW	NEW	NEW
<b>PRU</b> Top (CI rider)	<b>PRU</b> SolusiSehat & <b>PRU</b> Sehat Syariah	<b>PRU</b> Warisan (Traditional Par)	<b>PRU</b> Life Harvest Plan (SCB)
<b>PRU</b> Cinta & <b>PRU</b> Cinta Sejati (Trad Shariah)	(Standalone Protection)	<b>PTC</b> Tropical Disease, <b>PTC</b> Critical Illness & <b>PTC</b> Hospital Cash (Pulse)	<b>PWE</b> Neo (SCB & UOB)
<b>Pay Later Protect</b> (OVO)	<b>PRU</b> Tect Care (Pulse) <b>PRU</b> Wealth Extra (SCB & UOB)		<b>PRU</b> link USD Global Tech Equity Fund (ILP)

#### Strengthening distribution capabilities

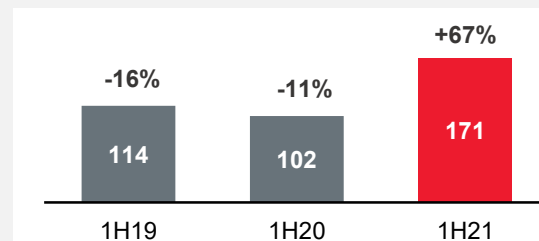
**1.9x**  
Higher in MDRT members to **>1,900<sup>2</sup>**

**+34%**  
Growth in active agents

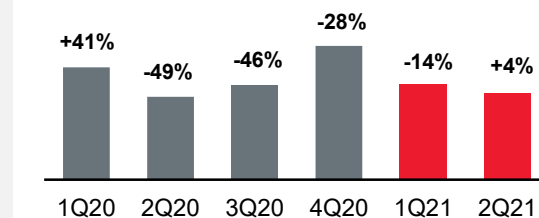
### Execution

(Size of bars represents actual in \$m; **XX%** indicates YoY growth)

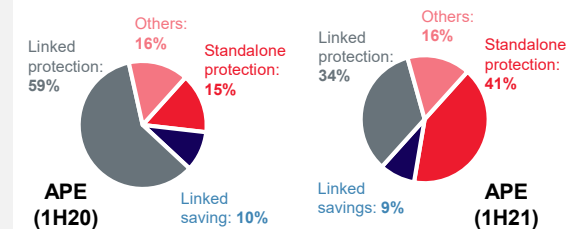
#### New cases ('000)



#### APE



#### APE mix



# Thailand

## Capitalising on new distribution opportunities

### New distribution – TTB

#### Distinct strengths

Launched Jan 1, 2021

- Covers **685** bank branches
- 5,500+** trained bank sellers
- Doubled** our sales support team to **240** FTEs
- Full product range** incl. HNW, Retail, Commercial and SME segments
- Outperform** market in bancassurance channel by **+16%<sup>3</sup>**



### New distribution – Digital partners



**Mobile App of the year**  
**insurance Thailand Awards 2021**

**2020 New partnerships**  
 (largest retail & telecom group)



Exclusive partner

**18m<sup>1</sup>**

memberships



Preferred partner

**47m<sup>2</sup>**

Mobile Customers

### Enhancing product proposition

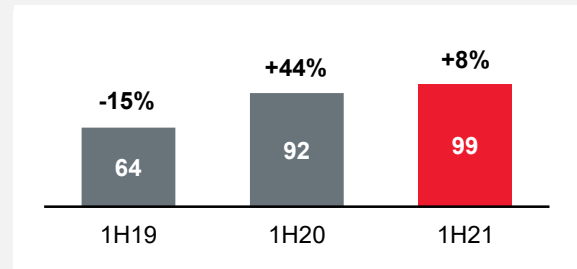
- H&P APE **+19%**, representing **28%** of mix and supporting strong NBP growth
- Digital bite sized products in H1: PruMum, PruDengue
- Launch of business@ Pulse to unlock employee benefit and SME opportunities via 4 way partnership



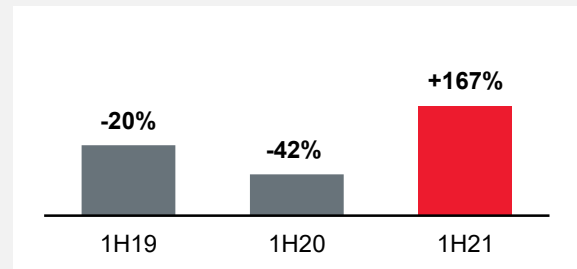
### Execution

(Size of bars represents actual in \$m; **XX%** indicates YoY growth)

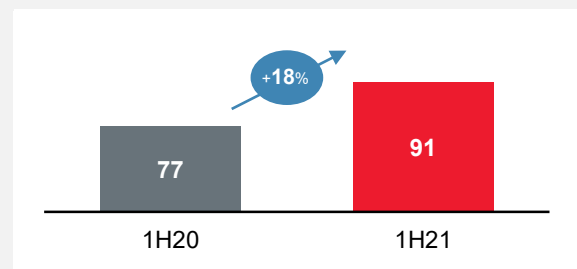
#### APE



#### NBP



#### IFRS operating profit



Note: Data as of 1H21 and growth rates on a constant exchange rate basis unless otherwise stated

1. As at December 2020

2. As at November 2020

3. Source: Thailand Life Assurance Association (TLAA). For year to date June 2021 based on weighted new business premium

# Singapore and Malaysia

## Continued momentum supported by strong market positions

### Singapore

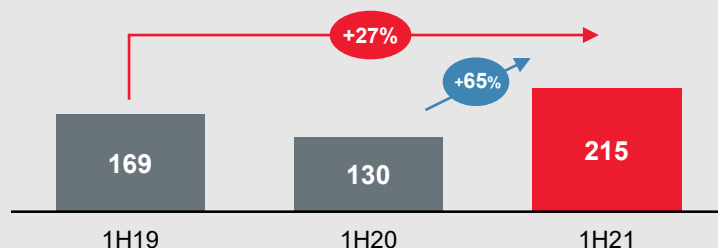
#### Continued focus on quality

- H&P APE **+31%**, driving **+65%** overall NBP growth
- Strong customer retention of **97%**
- IFRS operating profit growth of **+16%**
- MDRT members<sup>1</sup> **~2.5x** higher at >1,000; agency APE **+54%**

#### Broadening capabilities

- **#1** in new regular premiums and in agency sales<sup>2</sup>, with FY20 market share increasing to **20%** and **31%** respectively
- **39%** of agency cases and **26%** of banca cases sold virtually
- Business@Pulse growing strongly, APE **+32%** to **\$41m**; no. of schemes **+17%** to 2.5k

NBP  
(\$m)



### Malaysia

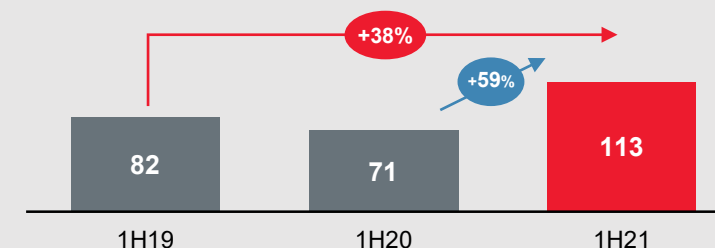
#### Continued focus on quality

- IFRS operating profit **+12%**, driven by **+10%** renewal premium growth
- Active agents up **+38%**; MDRT members<sup>1</sup> **~2.9x** higher at >900
- **98%** of APE from new regular premiums
- Strong customer retention of **96%**

#### Leadership in Takaful

- Growth: **+122%** APE; **+138%** NBP; **+57%** new policies
- **#1** position in Takaful<sup>3</sup> with FY20 market share rising **+4ppts** to **32%**

NBP  
(\$m)



Data as of 1H21 and growth on a constant exchange rate basis unless stated otherwise.  
1. MDRT statistics as at 1 July 2021, based on Jan 2020 to Dec 2020 production period  
2. By new business APE in FY20  
3. By new business APE in FY20; excluding Group



# Vietnam and Philippines

## Continued momentum supported by strong market positions

### Vietnam

#### Enhancing distribution capabilities

- **Leader in banca** with 17% market share<sup>1</sup>
- **SeABank** partnership launched & **MSB** partnership expanded in April
- MDRT members<sup>2</sup> **2.7x** higher at >1,500

#### Pivot to more balanced business mix

- Bank channel APE **+39%**
- H&P APE **+29%**

#### Focus on quality

- Renewal premiums **+14%**, driving IFRS operating profit **+16%** higher
- **98%** of APE from new regular premiums

### Philippines

#### Enhancing distribution capabilities

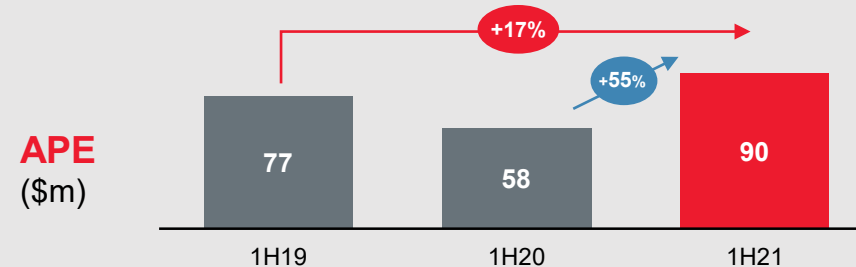
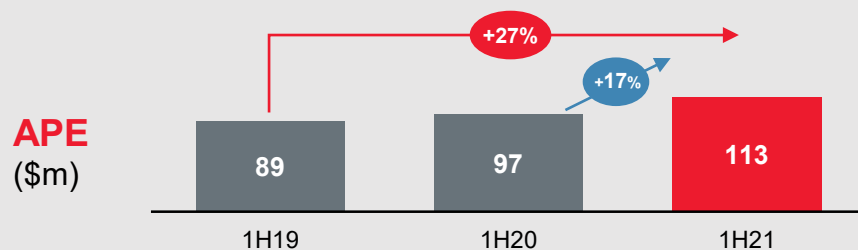
- Active agents up **+53%**
- **#1** ranked with market share of **17%**<sup>3</sup> in FY20

#### Focus on quality

- **96%** of APE from new regular premiums
- H&P APE **+58%**, driving overall NBP **+71%** higher
- Renewal premiums **+33%**, driving IFRS operating profit **+38%** higher

#### Building digital capabilities

- Virtual sales accounted for **85%** of agency cases
- Launched **Business@Pulse** providing group insurance to SMEs



Data as of 1H21 and growth on a constant exchange rate basis unless stated otherwise.

1. By APE in 1H21. Source: Vietnam Actuarial Workgroup

2. MDRT statistics as at 1 July 2021, based on Jan 2020 to Dec 2020 production period

3. Source: The Philippines Insurance Commission. Based on weighted first year premium for FY2020 (market share of 14% for FY2019)

# Africa

## Ongoing business momentum despite more challenging backdrop

### Distribution

**\$66 million** of APE sales

**+29%**  
APE sales growth<sup>1</sup>

### Agency

**+15%**  
APE sales growth<sup>1</sup>



**>13,000** agents

All markets working towards  
MDRT qualification

### Bancassurance

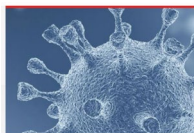
**+57%** APE sales growth<sup>1</sup>

Optimising  
strategic  
partnerships



### Products

#### Refreshed COVID-19 cover



Prudential COVID-19 Cover  
Prudential provides free a 30 days cover for clients hospitalized due to Covid-19.  
[Learn More](#)

Standing with people through a cover that offers hope at a time of uncertainty

#### New products with more protection options



Solutions for all people at every stage of life to help them make the most out of life

#### Expansion of medical offering in Uganda



Transfer of IAA medical book successfully completed in H1

### Community



#### Africa SafeSteps road safety campaign

Leading the conversation to promote safe road use, building habits to save and protect lives

#### Cha-ching financial literacy



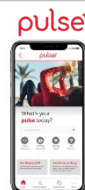
Fundamentals of financial literacy shared with over 5,000 pupils in selected primary schools across the region



Providing thought leadership on **Mental Health at the workplace**

### Technology

**Pulse** deployed in **6** markets:  
Cameroon, Kenya, Nigeria, Zambia, Uganda, Togo



Africa

#### One Pulse Features;

- Communities
- Fitness Tracker
- My Challenges
- Reward Wallet



#### Developing Digital Products & Payment Wallet

- Customer Servicing
- View My Policy
- Servicing and Claims



#### AI-backed Health Info

- BMI Recorder
- Wrinkle Mirror
- Hospital / Clinic Finder
- Wellness & Fitness Info

# CFO appendix

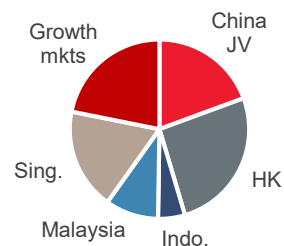


# Diversified portfolio

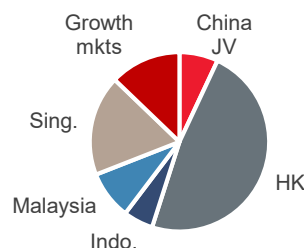
## Balanced new business and in-force mix

### PCA financial performance by segment

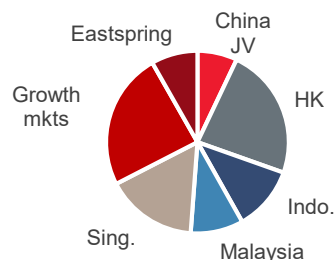
#### New Business Profit, 1H21



#### EEV SHF LT Business, 30 June 2021



#### Adjusted IFRS Operating Profit, 1H21



	New Business Profit		Adjusted IFRS Operating Profit		EEV for LT Business <sup>4</sup>	
	1H21	1H20	1H21	1H20	30- Jun-21	31- Dec-20 <sup>3</sup>
<b>China JV</b>	228	138	139	109	3,049	2,798
<b>Hong Kong</b>	306	353	460	412	20,951	20,156
<b>Indonesia</b>	57	69	225	255	2,350	2,630
<b>Malaysia</b>	113	71	184	164	3,814	4,142
<b>Singapore</b>	215	130	320	276	7,917	8,160
<b>Growth markets &amp; other</b>	257	178 <sup>5</sup>	479	418 <sup>2</sup>	5,601	4,975 <sup>2</sup>
<b>Eastspring</b>	n/a	n/a	162	147	n/a	n/a
<b>Total</b>	<b>1,176</b>	<b>939</b>	<b>1,969</b>	<b>1,781</b>	<b>43,682</b>	<b>42,861</b>

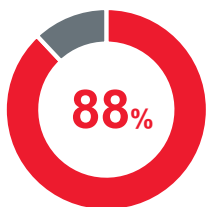
1. On a constant exchange rate basis (CER)  
 2. Restated to include amounts relating to Africa  
 3. On an actual exchange rate basis (AER)  
 4. Excluding goodwill  
 5. Excludes Africa

# Resilience

Through diverse high quality platform

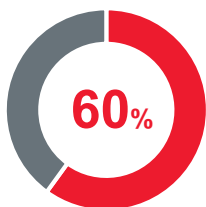
## High regular premium mix

Regular premium (% of APE)



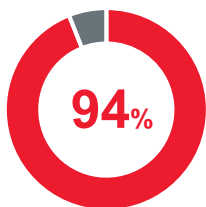
## Focus on H&P

Product mix (% of VIF)<sup>4</sup>



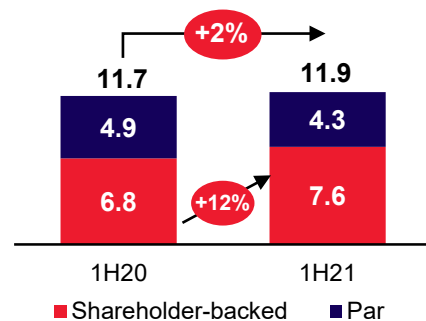
## Strong retention

Customer retention



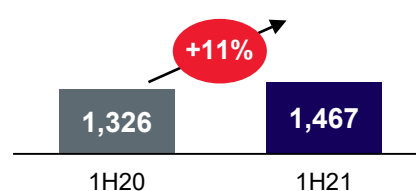
## Advantaged business

Life weighted premiums, (\$bn)<sup>1,2</sup>



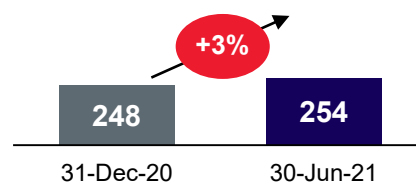
## High-quality profit driver

Insurance margin (\$m)<sup>2</sup>

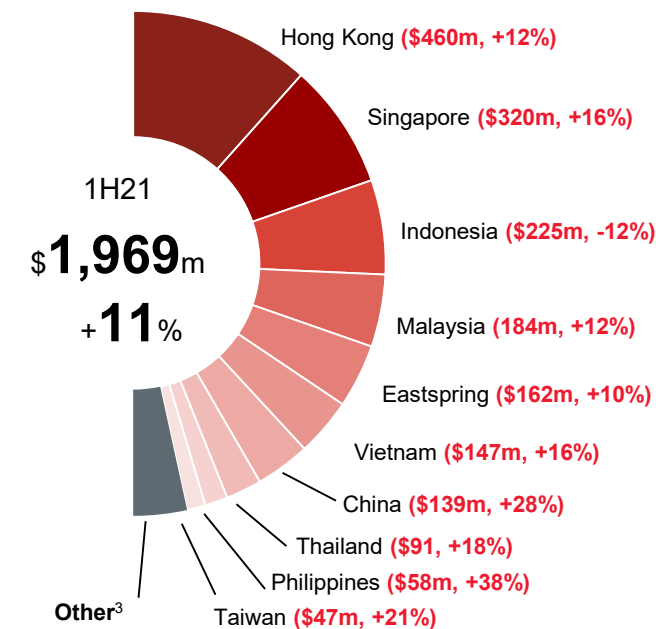


## Rising asset base

Eastspring FUM (\$bn)<sup>6</sup>



## Segment IFRS adjusted operating profit, \$m<sup>2</sup>



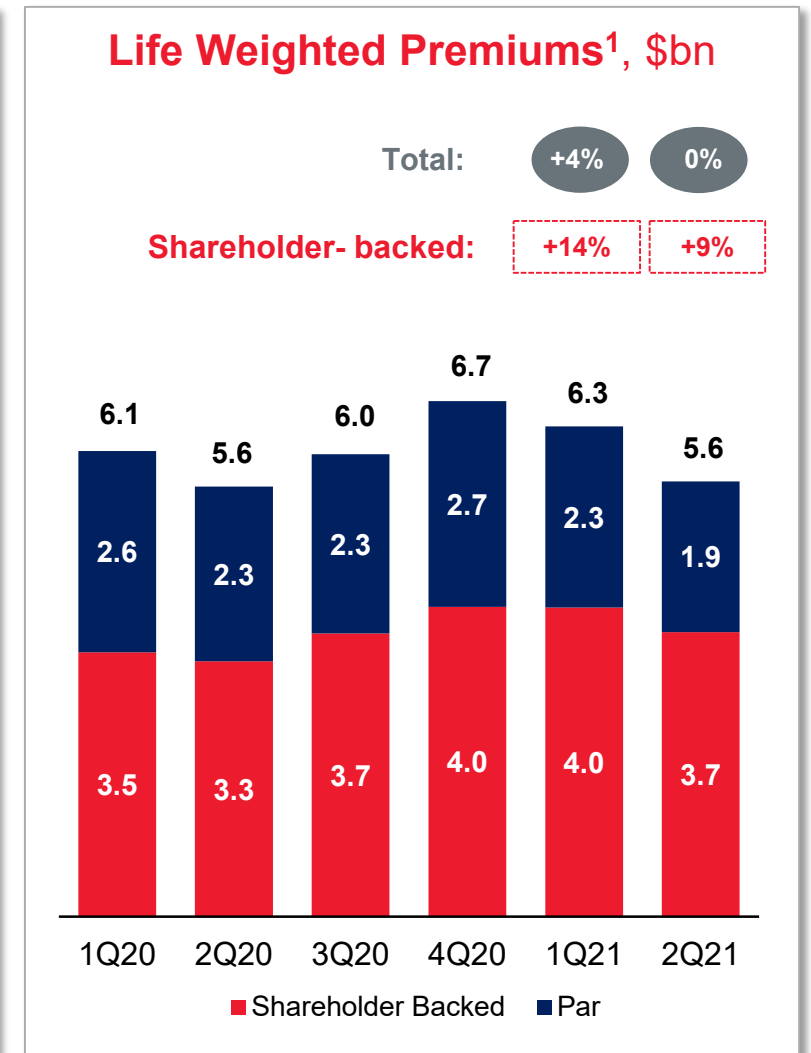
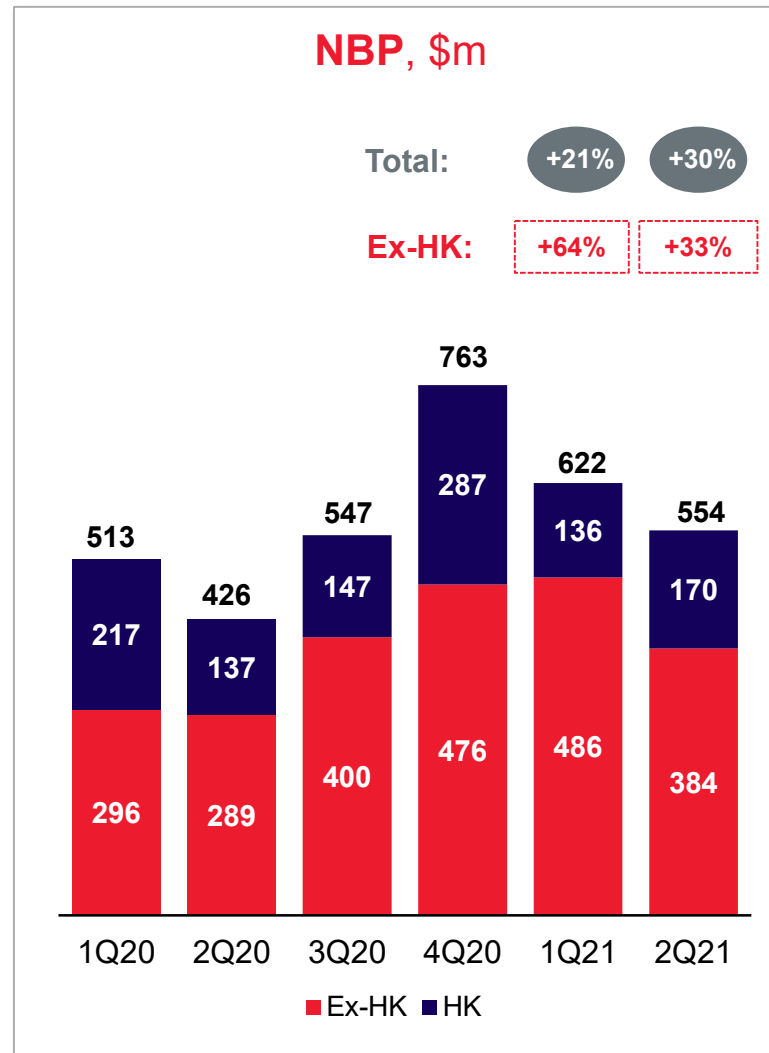
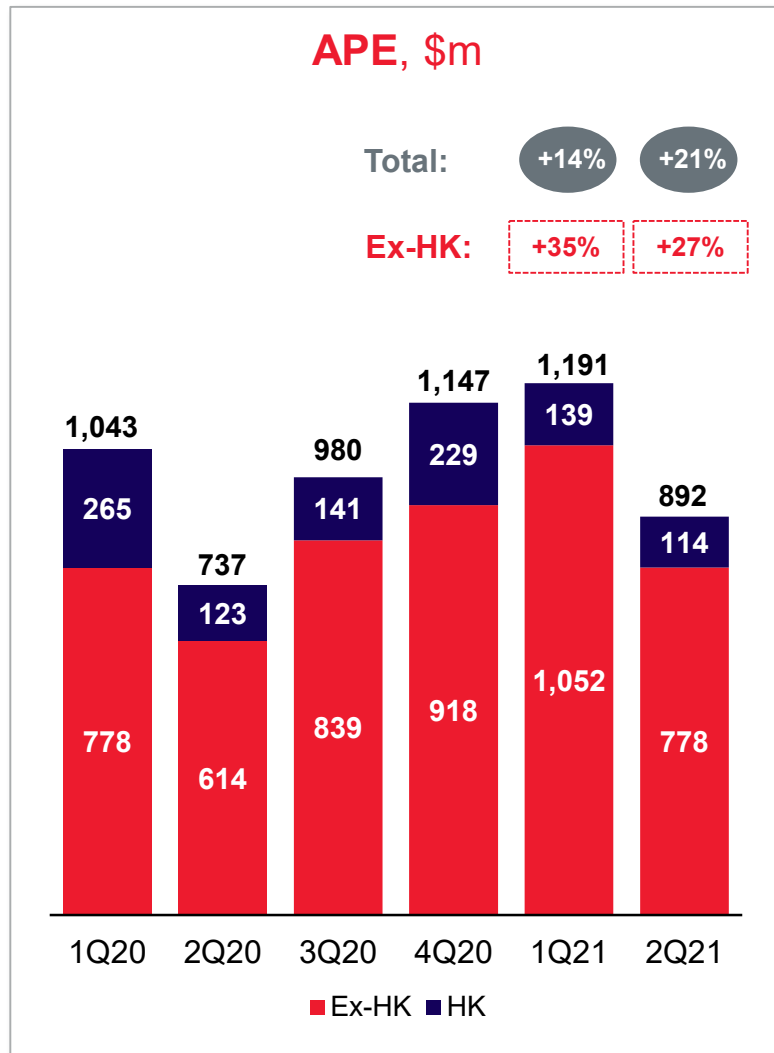
**10** Businesses<sup>5</sup> with double digit profit growth

**7** Businesses with IFRS profit >\$100m

1. Life weighted premiums represent the sum of renewal premiums and APE. Par represents UK style with-profits business in HK, Malaysia and Singapore  
 2. On a constant exchange rate basis (CER)  
 3. Includes other growth markets and a number of small items that are not expected to return and includes share from related tax charges from joint ventures and associate  
 4. Excludes Eastspring  
 5. Including Africa growing IFRS operating profit at double digits  
 6. On an actual exchange rate basis (AER)

# APE, NBP and Life weighted premiums

Growth in 1H21 despite the more challenging environment



Note 1: Numbers and growth rates are on a constant exchange rate basis.  
 Note 2: Numbers may not cast to total due to rounding.  
 1. Life weighted premiums represent the sum of renewal premiums and APE. Par represents UK style with-profits business in HK, Malaysia and Singapore

**x%** **x%** Represents year-on-year growth

# Group

## Medium term bond maturity profile

- Balanced call date / maturity profile
- Facilitates group debt management
- All bonds in the table opposite grandfathered as Tier 2 capital in GWS

### Prudential plc: debt maturity schedule<sup>1</sup>, principal value basis 30 Jun 2021

Maturity		Next Call Date	Callable	Currency	Coupon	Amount (m)	Type
n/a	PERP/CALL	23/09/2021	QUARTERLY	USD	6.50%	300	SUBORDINATED
n/a	PERP/CALL	23/09/2021	QUARTERLY	USD	6.75%	250	SUBORDINATED
n/a	PERP/CALL	23/09/2021	QUARTERLY	USD	5.25%	700	SUBORDINATED
n/a	PERP/CALL	20/10/2021	QUARTERLY	USD	5.25%	1,000	SUBORDINATED
n/a	PERP/CALL	20/10/2021	QUARTERLY	USD	4.38%	725	SUBORDINATED
n/a	PERP/CALL	20/01/2023	QUARTERLY	USD	4.88%	750	SUBORDINATED
						\$3,725m	
20/01/2023	AT MATURITY	n/a	n/a	GBP	6.88%	300	SENIOR
10/07/2023	AT MATURITY	n/a	n/a	EUR	0.06%	20	SUBORDINATED
11/05/2029	AT MATURITY	n/a	n/a	GBP	5.88%	250	SENIOR
14/04/2030	AT MATURITY	n/a	n/a	USD	3.13%	1,000	SENIOR
19/12/2031	AT MATURITY	n/a	n/a	GBP	6.13%	435	SUBORDINATED
						\$2,384m <sup>2</sup>	
						<b>\$6,109m<sup>2</sup></b>	

# Prudential EV methodology

## EEV vs. TEV approach

### Prudential adopts EEV principles which:

- Increase the transparency and consistency of reporting;
- Measure the risk at product group level to better reflect the inherent market risk associated with products and
- Improve disclosure around the degree of risk inherent in the business

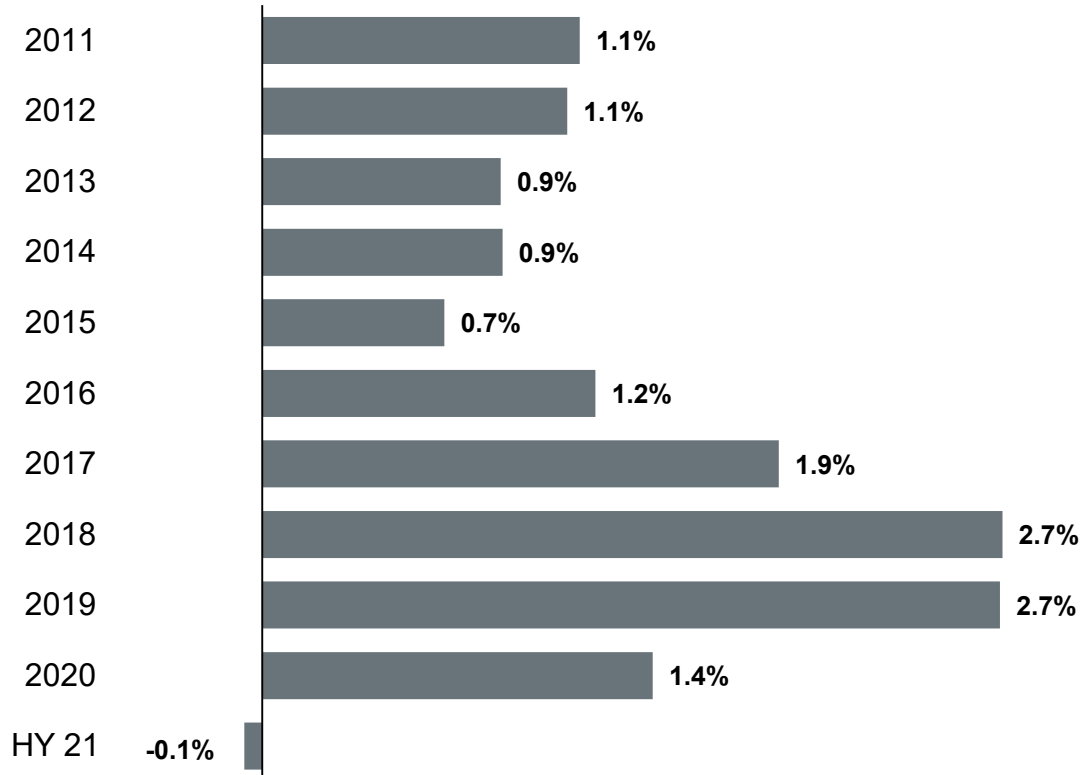
TEV vs. EEV Differences	TEV	EEV (PCA)
Government bond yields	Passive approach which uses a long-term view of forward yield	Active approach, based on current market yields, assumed to remain constant through the projection
Time Value of Options and Guarantees	Implicit through uplift to RDR (i.e. no stochastic modelling)	Explicit separate quantification of time value of options and guarantees
Credit Risk Allowance	Credit risk is captured through use of RDR	Reflected in FER Assumptions, not in RDR
RDR Approach	Top-down approach; single RDR calculated using a risk-free rate plus an overall risk margin	Bottom up CAPM Approach: $RDR = \text{Risk Free Rate} + \text{Beta} \times \text{Equity Risk Premium} + \text{Allowance for non-diversifiable non-market risk}$  Beta is calculated at product group level to reflect the inherent market risk in each product group



# PCA EV is built on prudent assumptions as demonstrated

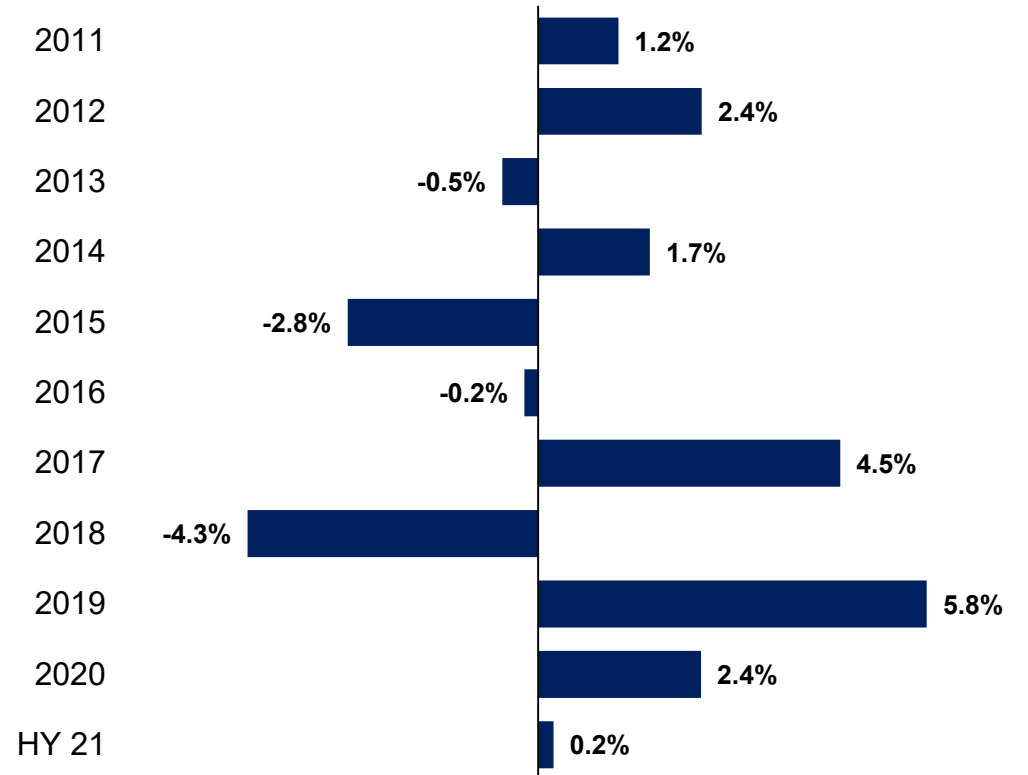
As demonstrated by our track record

## PCA Operating experience<sup>1</sup> as % of opening EV



**c\$3.4bn** EV contribution from positive mortality, morbidity and persistency experience since the start of 2011

## PCA Economic experience<sup>2</sup> as % of opening EV



**c\$2.7bn** EV contribution from net positive investment variances and economic assumption changes since the start of 2011

# Asia

## PCA value in Prudential joint ventures

**Partner**

**Prudential Share**

**Market Value**

**EV**

**IFRS NAV**

**GWP**

**Pre-tax operating profit**

**Prudential Board Representative**

**Key products**



ICICI Bank

22.1%

\$ 12.3 bn      ₹ 910.5bn<sup>1</sup>

\$ 3.9 bn      ₹ 291.1bn<sup>2</sup>

\$ 1.2 bn      ₹ 91.1 bn<sup>2</sup>

\$ 4.8 bn      ₹ 357.3 bn<sup>4</sup>

\$ 0.2 bn      ₹ 10.8 bn<sup>4,7</sup>

Wilfred Blackburn

Life insurance	HY2021 % APE Sales
<i>o/w</i>	
Linked	46%
Non-Par	23%
Par	10%
H&P	21%

**Asset Management**

AMC FUM<sup>3,5</sup>      \$58bn (at 100%)



CITIC Corporation

50%

N/A

\$ 6.1bn (at 100%)<sup>3</sup>

Not disclosed

\$ 2.2 bn      RMB 14.0bn<sup>6</sup> (at 100%)

\$ 0.3 bn (at 100%)

Nic Nicandrou, Lilian Ng, Charles Chan & Jin Wen Hung

Life insurance	HY2021 % APE Sales
<i>o/w</i>	
Linked	27%
Non-Par	47%
Par	6%
H&P	20%

**Asset Management (CITIC Prudential Fund Mgmt Co.)**

FUM<sup>3</sup>      \$21bn (at 100%)

Note: As per HY disclosures unless stated otherwise

1. Bloomberg, as at 02 August 2021. Translated at 03 August 2021 spot rate

2. Per latest data available, As of Indian financial year 9M-FY2021 at 100% Translated using 03 August 2021 spot rate

3. As at 30 June 2021. Translated using June closing spot rate ₹ 74.33. RMB 6.46

4. Financials are based on Indian financial year (YE 31 March 2021)

Translated using year to date 12 months to March 2021 average rate

5. ICICI Prudential Asset Management Company

6. Translated using average rate RMB 6.62

7. Profit before tax for the year end 31 March 2021.



# Asia and Africa invested assets

## Asset portfolio

### Breakdown of Asia invested assets<sup>1</sup>, 1H21 \$bn

	Par funds	Unit linked	Shareholder-backed <sup>2</sup>	Total
Debt	58.9	5.8	28.0	92.7
Direct equities	10.5	13.0	2.6	26.1
Collective investment schemes <sup>3</sup>	23.9	7.5	2.9	34.3
Mortgage	0.0	0.0	0.2	0.2
Other loans	1.9	0.0	0.4	2.3
Other <sup>4</sup>	1.2	0.2	2.5	3.8
<b>Total</b>	<b>96.4</b>	<b>26.5</b>	<b>36.6</b>	<b>159.4</b>

### Shareholder debt portfolio, 1H21

#### Holding by issuer

	Portfolio \$bn	No. Issuers <sup>5</sup>	Av. \$m	Max \$m	<BBB <sup>6</sup>
Sovereign debt	13.0	101	128.7	2,928.9	11.3%
Other debt	15.0	1,556	9.6	290.1	7.5%
	<b>28.0</b>				<b>18.8%</b>
Investment grade	12.9	1,215	10.6	290.1	n/a
High Yield	2.1	409	5.1	145.3	7.5%
	<b>15.0</b>				<b>7.5%</b>

Note: assets valued on an IFRS basis

1. Totals may not cast as a result of rounding

2. Includes asset management

3. Underlying assets of collective investment schemes comprise a mix of bond, equity, liquidity, property and other funds

4. Other financial investments comprise derivative assets, other investments and deposits

5. Presented on issuer group basis

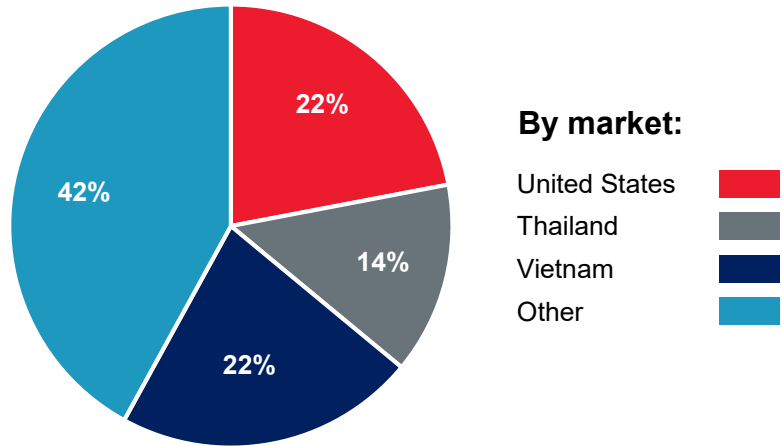
6. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, local external rating agencies ratings and then internal ratings have been used

# Asia and Africa invested assets

## Shareholder-backed debt exposures

By geography<sup>1</sup>, at 30 June 2021

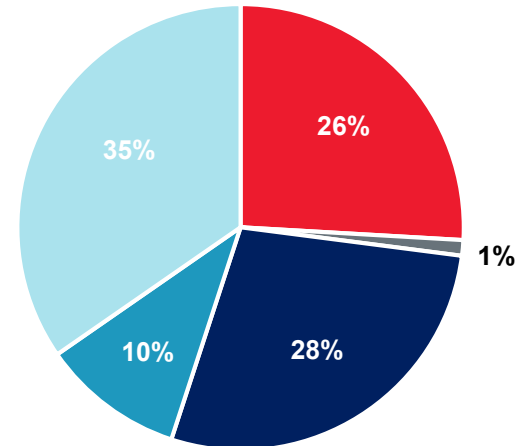
### Sovereign debt



Total \$13.0bn

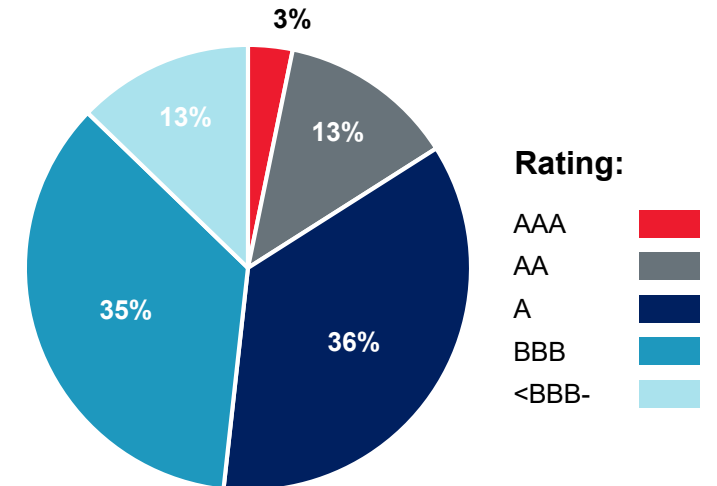
By credit rating<sup>1,2</sup>, at 30 June 2021

### Other government bonds



Total \$1.1bn

### Corporate bonds



Total \$13.9bn

Note: assets valued on an IFRS basis

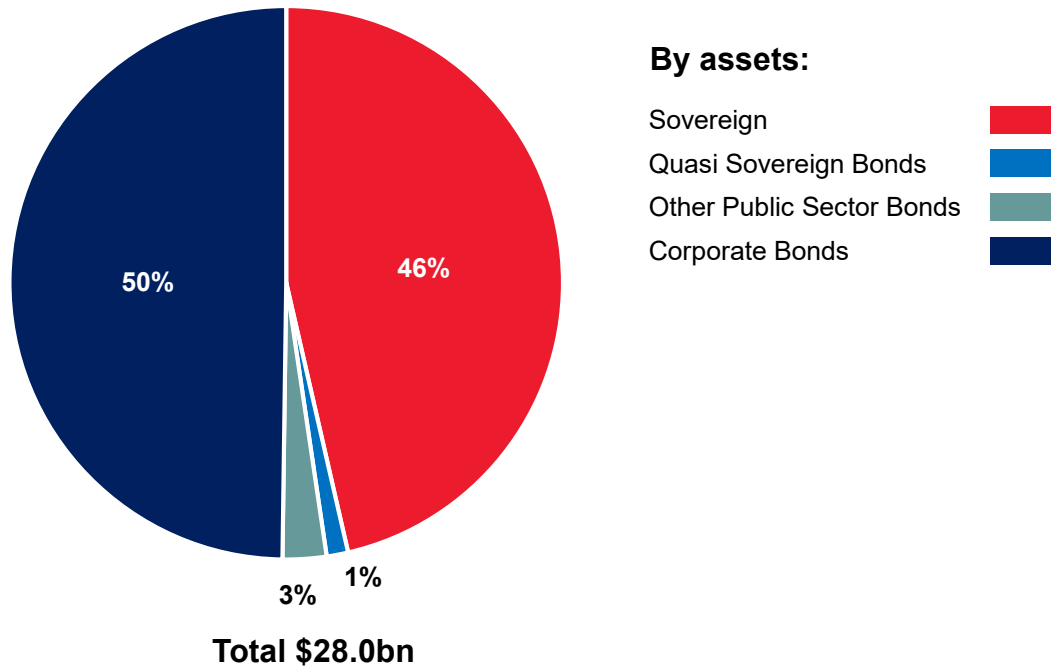
1. Totals may not cast as a result of rounding

2. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, local external rating agencies ratings and then internal ratings have been used

# Asia and Africa invested assets

## Shareholder-backed debt exposures

By asset type<sup>1</sup>, 30 Jun 2021



By sector<sup>1,2</sup>, 30 Jun 2021

### Corporate debt exposures

