

Recruitment arrangements and payments to past Directors

30 April 2018

Prudential plc

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Please find below information related to the *Recruitment arrangements and Payments to past Directors and payments for loss of office* sections of the Annual Report 2017 (page 151).

Recruitment arrangements for Mr FitzPatrick

On joining Prudential in July 2017, Mark FitzPatrick forfeited his 2017 Deloitte variable partnership profit share. We bought out this opportunity by offering Mr FitzPatrick a Prudential bonus for the portion of the year for which he was employed by Deloitte (1 January to 16 July 2017). The replacement Prudential bonus opportunity was less than the variable cash opportunity which Mr FitzPatrick lost on leaving Deloitte. Moreover, the Deloitte profit share forgone would have been delivered entirely in cash but 40 per cent of the replacement Prudential bonus was deferred into shares for a period of three years.

Mr FitzPatrick also received a prorated bonus opportunity for the portion of the year for which he was employed by Prudential (17 July to 31 December 2017). Again, 40 per cent of this bonus was deferred into shares for three years. Both elements of the 2017 bonus were determined with reference to Prudential's achievement of its 2017 financial targets and by Mr FitzPatrick's own performance.

There was no need for Prudential to replace any deferred bonus or long-term incentive awards when Mr FitzPatrick joined Prudential.

Mr Nicandrou's transfer

When Nic Nicandrou took up the role of Chief Executive, Prudential Corporation Asia, he was offered a salary and allowances totalling HK\$13.9m per annum while the equivalent figure for his predecessor was HK\$16.1m per annum. The scope of Mr Nicandrou's role largely reflects that of his predecessor but he additionally has responsibility for leading Prudential's African insurance operations.

Mr Wilkey's departure

On 17 July 2017, Tony Wilkey stepped down as Chief Executive of Prudential Corporation Asia and from the Board of Prudential plc to pursue new challenges. Mr Wilkey was with Prudential for more than 10 years, serving as Chief Executive, Insurance at Prudential Corporation Asia and then as Chief Executive of Prudential Corporation Asia. During this period, Prudential built a market-leading business in Asia thanks to a relentless focus on the customer, disciplined execution by a talented team and clear priorities.

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