



**Independent assurance statement by Deloitte LLP ('Deloitte') to Prudential Services Ltd. ('Prudential') on their 2019 ESG Summary.**

**What we looked at: scope of our work**

Prudential engaged us to perform limited assurance procedures for:

Scope and boundary	Assured metrics
<b>Community investment data</b>	
Spend for "Group" (current US, UK, and Asian Prudential Plc operation) as at the year ended 31 December 2019	<ul style="list-style-type: none"> <li>UK and Europe (charitable cash) (\$)</li> <li>Asia and US (charitable cash donations) (\$)</li> <li>In-Kind donations across the Group (\$)</li> </ul>
<b>Employee diversity data</b>	
Snapshot as at:  21.10.2019 for "pre-demerged Group"  And:  31.12.2019 for "Group" (current US, UK and Asian Prudential Plc operations)	<ul style="list-style-type: none"> <li>Gender breakdown (Global population, Senior Managers, Group Executive Committee, Non-Executive Directors and Executive Directors)</li> </ul>
<b>Environment data</b>	
12 months of data, year ended 30.09.19* presented in the following structures:  Total contribution of the occupied portfolio of the "pre-demerged Group";  And:  Relative contribution of the occupied portfolio of the post-demerged entities ("new Prudential plc" and M&G)	<ul style="list-style-type: none"> <li>Total scope 1 greenhouse gas emissions in tonnes carbon dioxide equivalent (CO<sub>2</sub>e)</li> <li>Total scope 2 greenhouse gas emissions in tonnes carbon dioxide equivalent (CO<sub>2</sub>e) (location-based)</li> <li>Total scope 2 greenhouse gas emissions in tonnes carbon dioxide equivalent (CO<sub>2</sub>e) (market-based)</li> <li>Total scope 1, 2 and 3 greenhouse gas emissions in tonnes carbon dioxide equivalent (CO<sub>2</sub>e)</li> <li>Normalised scope 1 and 2 greenhouse gas emissions (kg CO<sub>2</sub>e/sq.m)</li> <li>Normalised scope 1, 2 and 3 greenhouse gas emissions (kg CO<sub>2</sub>e/sq.m)</li> <li>Total water consumption (cubic metres) for occupied and operated Properties (UK and US only)</li> </ul>

**What standards we used: basis of our work, criteria used and level of assurance**

We carried out limited assurance on the selected key performance indicators in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000 (Revised)). To achieve limited assurance the ISAE 3000 (Revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

Our engagement provides limited assurance as defined in ISAE 3000 (Revised). The procedures performed in a limited assurance engagement vary in nature and timing from,

\* This does not correspond with reporting period for other metrics in the ESG Summary (01 January 2019 to 31 December 2019) because, consistent with prior periods, to improve the availability of invoice data (which often lags by one month or more after the usage period) and reduce the reliance on estimated data, energy costs for the period 1 October to 30 September are used to calculate the annual carbon footprint.

**Our independence and competence in providing assurance to Prudential**

- We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the Review.
- We have confirmed to Prudential that we have maintained our independence and objectivity throughout the year and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.
- Our team consisted of a combination of Chartered Accountants with professional assurance qualifications and professionals with a combination of environmental, CR and stakeholder engagement experience, including many years' experience in providing corporate responsibility assurance.
- The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### **What we did: key assurance procedures**

Considering the risk of material error, our multi-disciplinary team of corporate responsibility (CR) assurance specialists planned and performed our work to obtain all the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion. Our work was planned to mirror Prudential's own group level compilation processes, tracing how data for each indicator within our assurance scope was collected, collated and validated by corporate head office and included in the Review.

Key procedures we carried out included:

- Gaining an understanding of Prudential's systems through interview with management responsible for CR management and reporting systems at corporate head office
- Reviewing the systems and procedures to capture, collate, aggregate, validate and process source data for the assured performance data included in the Review

#### **What we found: our assurance conclusion**

Based on the scope of our work and the assurance procedures we performed, nothing has come to our attention that causes us to believe that the selected CR performance indicators are materially misstated.

#### **Roles and responsibilities**

##### **Prudential:**

The Directors are responsible for the preparation of the Review and for the information and statements contained within it. They are responsible for determining the CR goals, performance and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

##### **Deloitte:**

Our responsibility is to independently express conclusions on the subject matters as defined within the scope of work above to Prudential in accordance with our letter of engagement. Our work has been undertaken so that we might state to Prudential those matters we are required to state to them in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Prudential for our work, for this report, or for the conclusions we have formed.

##### **Deloitte LLP**

London

