

# Notice of Annual General Meeting 2007 and Explanation of Business

This document is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Prudential plc, please forward this document, together with the form(s) of proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through or to whom the sales or transfer was effected for transmission to the purchaser or transferee.





13 April 2007

Dear Shareholder

### **Annual General Meeting**

This year's Annual General Meeting (the Meeting) is to be held in The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 17 May 2007 at 11.00 am and the Notice of the Meeting (Notice) is set out on pages 7 and 8 of this document.

I thought it might be helpful for me to say a few words below on each of the resolutions to be proposed at the Meeting.

### **Ordinary resolution 1: Annual Report 2006**

The business of the Meeting will begin with a resolution to receive the Annual Report in respect of the year ended 31 December 2006. Shareholders will have the opportunity to put any questions on the Annual Report to the directors before the resolution is proposed to the Meeting.

### **Ordinary resolution 2: Directors' Remuneration Report**

Shareholders will again have the opportunity to cast an advisory vote on the Directors' Remuneration Report for the year ended 31 December 2006.

The Report is set out in full on pages 83 to 95 of the Annual Report 2006. A summary is also contained on pages 24 to 27 of the Annual Review and Summary Financial Statement 2006. Alternatively, the report is obtainable on request from the Company Secretary at the Registered Office of the Company, or from the Company's website, <http://www.prudential.co.uk/prudential-plc/investors/financialreports/>

### **Ordinary resolutions 3 to 6: Re-election of directors**

Under Prudential's Articles of Association, all directors must retire as directors at least every three years, and at every Annual General Meeting at least one third of the current directors must retire by rotation. Brief biographical details of Philip Broadley, Michael Garrett, Bridget Macaskill and Clark Manning, who are recommended for re-election at this year's Meeting, are included in Appendix 1 to this document and in the Annual Report and the Annual Review and Summary Financial Statement 2006.

As required under the provisions of the Combined Code on Corporate Governance relating to the re-election of non-executive directors, the Board unanimously recommends the re-election of Michael Garrett and Bridget Macaskill, the Board considers that they are independent in character and judgement and each provides a strong, non-executive presence on the Board. I confirm that following evaluation of the Board's performance, Michael Garrett and Bridget Macaskill continue to make a significant and effective contribution to the work of the Board and demonstrate commitment to their role as non-executive directors.

### **Ordinary resolution 7: Election of Barry Stowe as a director**

Shareholders will be asked to elect Barry Stowe as an executive director following his appointment by the Board on 1 November 2006. Brief biographical details are included in Appendix 1 to this document and in the Annual Report and the Annual Review and Summary Financial Statement 2006.

### **Ordinary resolutions 8 and 9: Re-appointment of auditor**

Shareholders will be asked to confirm the re-appointment of KPMG Audit Plc as the Company's auditor until the conclusion of the next Annual General Meeting and to grant authority to the directors to determine its remuneration.

### **Ordinary resolution 10: Declaration of final dividend for 2006**

Shareholders will be asked to approve the payment of a final dividend of 11.72 pence per ordinary share in respect of the year ended 31 December 2006, as recommended by the directors. The dividend will be payable on 22 May 2007 to shareholders on the register of members at the close of business on the record date, 13 April 2007.

### **Ordinary resolution 11: Political donations**

At the Annual General Meeting in 2004, shareholders passed a resolution giving the directors of the Company authority to make donations or incur expenditure which they would otherwise be prohibited from making or incurring following the coming into effect of the relevant provisions of the Political Parties, Elections and Referendums Act 2000 (the 2000 Act). That power will expire at the conclusion of this year's Meeting. Accordingly, the Notice includes a resolution to renew this authority.

The Company considers that the authority sought to allow it to incur this type of expenditure up to an aggregate limit of £50,000 over a period of three years is necessary, principally to ensure that, because of the uncertainty over which bodies are covered by the 2000 Act's definition of 'EU political organisation', the Company does not unintentionally breach the 2000 Act.

The Company has no intention of changing its current practice of not making donations to political parties in the EU and will not do so without the specific endorsement of its shareholders. However, the 2000 Act defines 'EU political organisation' widely to include, among other things, an organisation which carries on activities which are capable of being reasonably regarded as intended to influence public support for a political party in any EU member state or to influence voters in relation to any referendum in any EU member state. As a result, it is possible that EU political organisations may include, for example, interest groups or lobbying organisations concerned with the review of government policy or law reform. It may, depending upon the activity or campaign, be in the Company's interest to support or participate in such groups or organisations. The purpose of the proposed resolution is to enable the Company to do so without inadvertently breaching the 2000 Act.

### **Ordinary resolution 12: Renewal of authority to allot ordinary shares**

At last year's Meeting, shareholders passed a resolution giving the directors authority to allot ordinary shares in the Company. That power will expire at the conclusion of this year's Meeting. Accordingly, the Notice includes a resolution to renew this authority.

It is proposed to authorise the directors to allot ordinary shares up to a maximum nominal value of £40,740,000 (representing approximately 814 million ordinary shares in the Company), which represents approximately 33.33 per cent of the issued ordinary share capital of the Company at 29 March 2007. The directors have no immediate plans to make use of this authority, with the exception of issues of further ordinary shares in accordance with the Company's obligations under its various executive and employee share plans and its scrip dividend scheme. This renewed authority, which complies with Institutional Investment Committee guidelines, will replace the existing authority in respect of ordinary shares and will expire at the conclusion of next year's Annual General Meeting.

### **Special resolution 13: Renewal of authority for disapplication of pre-emption rights**

At last year's Annual General Meeting, shareholders passed a special resolution giving the directors authority to allot equity securities for cash without first being required to offer such securities to existing shareholders in proportion to their existing holding, by the limited disapplication of Section 89 of the Companies Act 1985. That power will expire at the conclusion of this year's Meeting. Accordingly, the Notice includes a resolution to renew this authority.

This authority only extends (apart from rights issues and scrip dividends) to the issue of ordinary shares, including the sale of any ordinary shares held in treasury in accordance with the provisions of The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003. As at 29 March 2007, the Company held no treasury shares.

The authority is sought for a maximum nominal value of £6.11 million (representing approximately 122 million ordinary shares in the Company), which is approximately five per cent of the total issued ordinary share capital of the Company at 29 March 2007. As regards rights issues and scrip dividends, the directors believe that the procedure under Section 89 is unduly restrictive and are therefore also seeking continuation of its disapplication in these circumstances. The directors have no immediate plans to make use of this authority, with the exception of issues of further ordinary shares in accordance with the Company's obligations under its various executive and employee share plans and its scrip dividend scheme. This renewed authority, which complies with Institutional Investment Committee guidelines, will expire at the conclusion of next year's Annual General Meeting.

### **Special resolution 14: Renewal of authority for purchase of own shares**

The directors consider that there may be circumstances in which it would be desirable for the Company to purchase its own shares in the market. Although the directors have no immediate plans to make such purchases, they would like to be able to act if circumstances arose in which they considered such purchases to be desirable. Purchases would only be made if their effect would be to increase earnings per share and they would be for the benefit of shareholders generally.

Accordingly, this resolution is proposed to authorise the Company to make market purchases of its ordinary shares up to a maximum of 244 million ordinary shares (representing approximately 10 per cent of the Company's issued share capital at 29 March 2007) at prices not exceeding 105 per cent of the average middle market quotations as derived from the Daily Official List of the London Stock Exchange for the shares for the five business days before the purchase is made. Following the introduction of The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003, companies are now permitted to retain any of their own shares which they have purchased as treasury stock with a view to possible re-issue at a future date, rather than cancelling them as had previously been required by legislation. If the Company were to purchase any of its own ordinary shares, it would consider holding them as treasury stock, pursuant to the authority conferred by this resolution. This would enable the Company to re-issue treasury shares quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base. The directors have no immediate plans to exercise this authority, which will expire at the conclusion of next year's Annual General Meeting.

### **Special resolution 15: Evergreen scrip**

The Company has for some time operated a successful scrip dividend scheme which allows shareholders to elect to receive additional shares instead of all or part of the cash dividends to which they would otherwise be entitled.

Up to now the system imposed an administrative burden on shareholders as it required a specific notification and specific election in relation to each dividend. It is simpler to adopt an evergreen scheme that allows shareholders to elect to receive additional shares for every dividend paid, until they notify the Company that their election is cancelled. However, the directors will continue to use their discretion whether to offer a scrip dividend alternative in respect of each dividend. Shareholders can cancel their election at any time but, to be applicable to subsequent dividends, the notification must be received 20 business days before the relevant dividend payment date.

The Company wrote to shareholders on 30 March 2007, explaining the details of its proposed evergreen scrip dividend scheme and offering shareholders the chance to participate (the Evergreen Circular). The explanatory booklet enclosed in the Evergreen Circular is available on the Company's website, [www.prudential.co.uk/prudential-plc/investors/](http://www.prudential.co.uk/prudential-plc/investors/). Resolution 17 below is proposed to amend the provisions of the Articles relating to the scrip dividend to accommodate the proposed evergreen nature of the scrip scheme. Please see resolution 17 and Appendix 2 of the Notice for further details.

This resolution 15 is proposed, in accordance with Institutional Investment Committee Guidelines, to grant the Company a five-year authority to allot and issue shares in lieu of a cash dividend. In order to maintain the evergreen scrip dividend programme, it is intended that further shareholder authority to allot and issue shares in lieu of dividend will be sought before the expiry of this authority at the 2012 Annual General Meeting.

### **Special resolutions 16 to 19: Amendments to Articles of Association**

On 20 January 2007, certain sections of the Companies Act 2006 (the 2006 Act) came into force, in particular new provisions relating to electronic communications. These resolutions are proposed, amongst other things, to ensure that the Articles of Association of the Company (Articles) are consistent with the relevant provisions of the 2006 Act. The directors have decided that the 2008 Annual General Meeting is the appropriate time to undertake a more general revision of the Articles in line with the remainder of the 2006 Act. This will allow the Company to consider the transitional arrangements made by the Government and the development of market practice.

Resolutions 16 to 19 are proposed to amend the Articles as follows:

- to allow the Company to use its website to communicate with shareholders as permitted by the provisions of the 2006 Act;
- to allow the Company to introduce an evergreen scrip dividend scheme;
- to amend the Company's indemnification provisions to align it with the Companies Acts; and
- to make it clear that any claims that may be made against the Company or its directors or its professional advisers are to be determined in the English courts.

The proposed changes to the Articles are described in more detail below, and the full text of the proposed amendments is set out in Appendix 2 to the Notice.

### **Website communications (changes to Articles 190, 195 to 197 and new Article 209A)**

The 2006 Act allows companies to communicate with shareholders by means of a website, if authorised to do so by their articles of association or by a resolution of shareholders. This resolution is proposed to alter the Company's Articles to take advantage of the new provisions. Under the existing Articles an express agreement between the Company and individual shareholders is required before the Company can communicate by this means. The amendments proposed would mean that website communication will become the default position, as permitted by the 2006 Act.

If this resolution is passed, shareholders will be able to choose either to continue to receive hard copies of the documentation and information generally sent to shareholders (including the Annual Report and Accounts) or to receive a notification either by post or, if they have consented to the Company communicating with them electronically, by email informing them that the documents are available on a website operated by the Company. The resolution will also mean electronic notifications (and other electronic communications) are deemed received when sent.

The directors believe that the proposed amendments to the Articles will be of benefit to shareholders who do not wish to be burdened with long documents, and to the Company, as it represents a considerable saving in printing and distribution costs. In addition, by reducing unnecessary printing, it will produce benefits to the environment.

#### **Evergreen scrip dividend scheme (Article 180)**

As explained in relation to resolution 15 on page 3, the Company wrote to shareholders on 30 March 2007 explaining its proposed evergreen scrip dividend scheme in detail and offering shareholders the chance to participate. The changes proposed to Article 180 allow the Board to offer the scrip dividend on this simplified basis.

#### **Directors' indemnities (Article 218)**

The law changed in 2005 to allow companies to provide more wide reaching indemnities to directors than had up to that time been permitted. In particular, companies were permitted to agree to pay the defence costs incurred by their directors in defending any claim against them, on the basis that the company would be entitled to reimbursement if the claim was substantiated and the director was found to be in breach of his or her duties. The changes proposed to Article 180 will align the Company's Articles with the new law.

#### **Jurisdiction of the English court (Article 219)**

The Company has an international shareholder base, which increases the risk that the Company, or its directors or advisers, may become drawn into litigation with shareholders seeking to rely on foreign legal principles or to have their claims heard in courts that are not accustomed to dealing with English companies and English law. The new Article 219 is proposed in order to minimise this risk by requiring disputes involving the Company, its directors and advisers to be brought only in the courts of England and Wales. The directors have been advised that any such disputes should be governed by English law and believe that the English courts are the appropriate forum for resolving such disputes.

#### **Recommendation**

The directors consider that all the proposals described in this circular are in the best interests of the Company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of all proposed resolutions, as the directors intend to do in respect of their own beneficial holdings.

#### **Action to be taken**

##### **Appointment of a proxy**

If you are unable to attend and vote at the Meeting, you are entitled to appoint one or more proxies to attend and vote on your behalf. There are three methods of appointing a proxy:

- (a) by completing, signing and returning the enclosed Form of Proxy in the envelope provided;
- (b) by logging onto [www.sharevote.co.uk](http://www.sharevote.co.uk); or if you have a portfolio registered with Lloyds TSB Registrars, by logging onto [www.shareview.co.uk](http://www.shareview.co.uk); or
- (c) if you are a member of CREST, by using the CREST electronic proxy appointment service.

Please read the notes to the enclosed Form of Proxy which give further details about these different methods and the deadlines by which your appointment of a proxy must reach our Registrar. Completion of a Form of Proxy, or the appointment of a proxy electronically, will not stop you from attending the Meeting and voting in person should you so wish.

**Method of communication**

The Company wishes to communicate with its members via its website rather than the traditional means of sending paper copies of all the documents to each member. The changes to the Articles proposed in special resolution 16 will entitle the Company to do this.

Your attention is drawn to the enclosed communications card attached to the Form of Proxy. The communications card enables you to advise us if you wish to continue to receive hard copies of shareholder documentation and information. You should complete and return the card in the envelope provided by 18 May 2007. **If you make no election before 18 May 2007, you will be deemed to have agreed to the Company communicating with you by means of the website.** If at any time in the future, you wish to receive a hard copy of any document or information you will be sent these on request.

The enclosed communications card also invites you to advise us if you would prefer to receive notifications of documents and information communicated via the website by email. If you do not consent to electronic notification, you will receive a hard copy notice in the post (unless you have requested hard copy documents).

**Notice of the Meeting**

The Notice of the Meeting is set out on pages 7 and 8.

Yours sincerely

Sir David Clementi



Chairman

# Notice of Annual General Meeting

Prudential plc (the Company), incorporated and registered in England and Wales (registered number 1397169).

Notice is hereby given that the Annual General Meeting of the Company will be held in the Churchill Auditorium at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 17 May 2007 at 11.00am for the transaction of the following business:

## Ordinary business

As ordinary business to consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

1. To receive and consider the Directors' Report and the Financial Statements for the year ended 31 December 2006 with the Auditor's Report thereon.
2. To approve the Directors' Remuneration Report for the year ended 31 December 2006.
3. To re-elect as a director Mr P A J Broadley.
4. To re-elect as a director Mr M W O Garrett.
5. To re-elect as a director Mrs B A Macaskill.
6. To re-elect as a director Mr C P Manning.
7. To elect as a director Mr B L Stowe.
8. To re-appoint KPMG Audit Plc as auditor until the conclusion of the next general meeting at which the Company's accounts are laid.
9. To authorise the directors to fix the amount of the auditor's remuneration.
10. To declare a final dividend of 11.72 pence per ordinary share of the Company for the year ended 31 December 2006, which shall be payable on 22 May 2007 to shareholders who are on the register of members at the close of business on 13 April 2007.

## Special business

As special business to consider and, if thought fit, to pass the following resolutions (resolutions 11 and 12 being proposed as ordinary resolutions and resolutions 13 to 19 as special resolutions):

### Ordinary resolutions

#### 11. Political donations

That the Company be and is hereby generally and unconditionally authorised for the purposes of [Part XA of the Companies Act 1985 (as amended)] to make donations to EU political organisations and to incur

EU political expenditure (as such terms are defined in section 347A of that Act) up to a maximum aggregate sum of £50,000, as follows:

- (a) such authority shall, unless renewed, varied or revoked by the Company in general meeting prior to such time, expire at the conclusion of the Annual General Meeting to be held in 2010; and
- (b) the Company may enter into a contract or undertaking under this authority prior to its expiry, which contract or undertaking may be performed wholly or partly after such expiry, and may make donations to EU political organisations and incur EU political expenditure in pursuance of such contracts or undertakings as if the said authority had not expired.

12. Renewal of authority to allot ordinary shares THAT, without prejudice to any other authority conferred on the directors by or pursuant to Article 12 of the Company's Articles of Association, the authority conferred on the directors by Article 12 of the Company's Articles of Association to allot generally and unconditionally relevant securities (as defined in Section 80 of the Companies Act 1985) be renewed for a period expiring at the end of the next Annual General Meeting and for that period the Section 80 amount in respect of the Company's ordinary shares shall be £40,740,000.

### Special resolutions

13. Renewal of authority for disapplication of pre-emption rights

THAT the directors be and are hereby authorised to allot equity securities (within the meaning of Section 94 of the Companies Act 1985) for cash pursuant to the power conferred on the directors by Article 13 of the Company's Articles of Association and for this purpose allotment of equity securities shall include a sale of relevant shares as provided in Section 94(3A) of that Act as if Section 89(1) of that Act did not apply to such allotment provided that (i) the maximum aggregate nominal amount of equity securities that may be allotted or sold pursuant to the authority under Article 13(b) is £6,110,000 and (ii) the authority conferred by this resolution shall expire at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed.

Note: This resolution is conditional upon the passing of resolution 12.

14. Renewal of authority for purchase of own shares

THAT the Company be and is hereby generally and unconditionally authorised, pursuant to Article 58 of the Company's Articles of Association and in accordance with Section 166 of the Companies Act 1985 to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of ordinary shares of five pence each in the capital of the Company provided that:

- (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 244 million;
- (b) the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the share is contracted to be purchased;
- (c) the minimum price (exclusive of expenses) which may be paid for each ordinary share is five pence; and
- (d) further provided that this authority shall, unless renewed, varied or revoked prior to such time, expire at the end of the Annual General Meeting of the Company to be held in 2008 or 18 months from the date of this resolution (whichever is earlier), save that the Company may before such expiry make a contract or contracts to purchase ordinary shares under the authority hereby conferred which would or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts as if the power conferred hereby had not expired.

All ordinary shares purchased pursuant to said authority shall be either:

- (i) cancelled immediately upon completion of the purchase; or
- (ii) be held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Companies Act 1985.

15. Evergreen scrip

THAT the directors be and are hereby authorised to offer and allot ordinary shares in lieu of dividend from time to time or for such period as they may determine pursuant to the terms of Article 180 of the Company's Articles of Association provided that the authority conferred by this resolution shall expire at the end of the fifth Annual General Meeting of the Company after the date on which this resolution is passed.

16. Amendments to Articles of Association – website communications

THAT Articles 190, 195, 196 and 197 of the Articles of Association of the Company be and are hereby altered, and new Article 209A of the Articles of Association of the Company be and is hereby inserted by making the amendments set out in Appendix 2 to this Notice.

17. Amendment to Articles of Association – evergreen scrip dividend scheme

THAT Article 180 of the Articles of Association of the Company be and is hereby altered by making the amendments set out in Appendix 2 to this Notice.

18. Amendment to Articles of Association – directors' indemnities

THAT Article 218 of the Articles of Association of the Company be and is hereby altered by making the amendment set out in Appendix 2 to this Notice.

19. Amendment to Articles of Association – jurisdiction of English court

THAT new Article 219 of the Articles of Association of the Company be and is hereby inserted as set out in Appendix 2 to this Notice.

**Other business**

To transact any other business appropriate to be dealt with at an annual general meeting.

By order of the Board of Directors,



Peter Maynard  
Company Secretary  
Prudential plc  
Laurence Pountney Hill  
London EC4R 0HH

13 April 2007

# Notes to Notice of Meeting

## Entitlement to attend and vote and to appoint proxies

Only the registered holders of fully paid shares are entitled to attend and vote at the Annual General Meeting (the Meeting). To be entitled to attend and vote in respect of the number of shares registered in their name, shareholders must be entered on the register of members of the Company, pursuant to the Uncertificated Securities Regulations 2001, as at 6.00pm on 15 May 2007, or, if this Meeting is adjourned, on the register of members at 6.00pm two days prior to the date of any adjourned meeting. Changes to entries on the register after 6.00pm on 15 May 2007, or, if this Meeting is adjourned, changes to entries on the register of members after 6.00pm two days prior to the date of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the Meeting.

A registered shareholder entitled to vote at the Meeting is entitled to appoint a proxy or proxies pursuant to the Company's Articles of Association to attend and, on a poll, vote instead of the member; a proxy need not be a member of the Company. Proxies are only entitled to vote on a poll. Members' attention is drawn to the Form of Proxy accompanying this Notice.

A proxy may be appointed by any of the following methods:

- completing and returning the enclosed Form of Proxy;
- electronic proxy appointment by logging onto the Lloyds TSB Registrars' website [www.sharevote.co.uk](http://www.sharevote.co.uk). Shareholders will need their Reference Number, Card ID and Account Number, which are printed on the face of the accompanying Form of Proxy. Full details of the procedures are given on the website. Alternatively, if you have already registered with Lloyds TSB Registrars' on-line portfolio service Shareview, you can submit your proxy by logging onto your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) and clicking on 'Company Meetings'. Instructions are given on the website;

or

- if you are a member of CREST, by using the CREST electronic appointment service.

IMPORTANT: Whichever method you choose, your instructions or Form of Proxy must be received by the Company's Registrars no later than 11.00am on 15 May 2007.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA01) by 11.00 am on 15 May 2007. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **Total voting rights and issued share capital**

The total number of issued and fully paid ordinary shares of five pence each as at 29 March 2007 (the latest practicable date prior to the publication of this document) was 2,444,423,914. The issued share capital of the Company at the date of the Meeting will be announced at the Meeting.

Each ordinary share carries the right to one vote in relation to all circumstances at general meetings of the Company. The Company does not hold any ordinary shares in treasury, therefore, the total number of voting rights in the Company as at 29 March 2007 was 2,444,423,914.

#### **Documents available for inspection**

Copies of the following documents will be available for inspection during normal business hours at the Registered Office of the Company on Mondays to Fridays (public holidays excepted) from the date of this Notice and at the place of the Meeting for 15 minutes prior to and during the Meeting until its conclusion:

- (a) the register of directors' interests;
- (b) copies of the service contracts and details of other benefits between the Group and the executive directors;
- (c) copies of letters of appointment and the details of other benefits between the Company and the non-executive directors;
- (d) copy of the letter of appointment and details of other benefits between the Company and the Chairman; and
- (e) the current Articles of Association and the proposed amendments.

## Appendix 1 – Biographies of directors standing for election and re-election

### **Philip Broadley FCA**

Group Finance Director.

Philip Broadley has been an executive director of Prudential and Group Finance Director since May 2000. He is currently Chairman of the 100 Group of Finance Directors and a member of the Insurance Advisory Group of the International Accounting Standards Board. He is also President of the Przeworski Charitable Foundation, which has been established in Poland in recognition of former policyholders with whom the Company lost contact. Previously, he was with the UK firm of Arthur Andersen, where he became a partner in 1993.

### **Michael Garrett**

Independent non-executive director and member of the Remuneration Committee.

Michael Garrett has been an independent non-executive director of Prudential since September 2004. He worked for Nestle from 1961, becoming Head of Japan (1990 – 1993), and then Zone Director and Member of the Executive Board, responsible for Asia and Oceania, and in 1996 his responsibilities were expanded to include Africa and the Middle East. He retired as Executive Vice President of Nestle in April 2005. In addition, he served the Government of Australia as Chairman of the Food Industry Council and as a Member of the Industry Council of Australia, and was also member of the Advisory Committee for an APEC (Asia-Pacific Economic Cooperation) Food System, a Member of The Turkish Prime Minister's Advisory Group and the WTO (World Trade Organisation) Business Advisory Council in Switzerland. He remains a director of Nestle companies in India and Japan, and was appointed Chairman of the Evian Group in 2001, a think tank and forum for dialogue promoting free trade. He also serves as a non-executive director on the Boards of the Bobst Group Switzerland and Hasbro Inc. in the USA, and is a member of the Finance and Performance Review Committee of The Prince of Wales International Business Leaders Forum (IBLF).

### **Bridget Macaskill**

Independent non-executive director, Chairman of the Remuneration Committee and Member of the Nomination Committee.

Bridget Macaskill has been an independent non-executive director of Prudential since September 2003. She rejoined the Board of Prudential having previously resigned due to a potential conflict of interest in 2001. She has been a member of the Remuneration Committee since 2003 and became Chairman of the Remuneration Committee on 18 May 2006. She is a non-executive director of the Federal National Mortgage Association (Fannie Mae), and on 1 April 2007 was appointed non-executive director on the board of Scottish & Newcastle PLC. She was previously a non-executive director of J Sainsbury Plc. Prior to that she spent 18 years at OppenheimerFunds Inc, a major New York based investment management company the final 10 years of which she was Chief Executive Officer.

### **Clark Manning FSA MAAA**

Executive director.

Clark Manning has been an executive director of Prudential since January 2002. He is also President and Chief Executive Officer of Jackson National Life Insurance Company. He was previously Chief Operating Officer, Senior Vice President and Chief Actuary of Jackson National Life Insurance Company, which he joined in 1995. Prior to that, he was Senior Vice President and Chief Actuary for SunAmerica Inc, and prior to that Consulting Actuary at Milliman & Robertson Inc. He has more than 25 years' experience in the life insurance industry, and holds both a bachelor's degree in actuarial science and an MBA from the University of Texas. He also holds professional designations of Fellow of the Society of Actuaries (FSA) and Member of the American Academy of Actuaries (MAAA).

### **Barry Stowe**

Executive director.

Barry Stowe has been an executive director of Prudential since 1 November 2006, and Chief Executive, Prudential Corporation Asia since 9 October 2006. Previously, he was President, Accident & Health Worldwide for AIG Life Companies. He joined AIG in 1995, and prior to that was President and CEO of NISUS, a subsidiary of Pan-American Life, from 1992-1995. Prior to NISUS, Barry spent 12 years at Willis Corroon in the US.

## Appendix 2 – Proposed changes to the Articles of Association of Prudential plc

This Appendix 2 sets out the proposed amendments to the Articles of Association of Prudential plc (Articles). References are to the current Articles unless otherwise stated. A draft of the Articles, as amended, showing the changes from the existing Articles will be available for inspection at the places and times set out in the Notice of Meeting.

If passed, resolutions 16 to 19 would amend the Articles of the Company as follows.

### Article 180: Extra shares instead of cash dividend

Deleting paragraph (a) of the present Article 180 and adopting the following in substitution thereof:

'(a) The directors may specify a particular dividend or dividends or all or any dividends to be paid within a specified period or all dividends to be paid until notice is given that such offer is withdrawn.'

Deleting paragraph (g) of the present Article 180 and adopting the following in substitution thereof:

'(g) The Extra Shares allotted in lieu of any dividend shall rank *pari passu* in all respects with the fully paid shares in issue at the date of allotment except that they will not be entitled to participate in the relevant dividend or share election in lieu.'

### Article 190: Record dates for sending documents to shareholders

Deleting paragraph (c) of the present Article 190 and adopting the following in substitution thereof:

'(c) for the purpose of sending any notice or other document or information pursuant to these Articles, the Companies Acts or other rules and regulations applicable to the Company, determine that the persons entitled to receive such notices, documents or information are those persons entered on the register at the close of business on a day determined by the Company or the board, which day shall not be more than 21 days before the day that such the relevant notice, document or information is sent.'

### Article 195: Methods of Company sending notice

Deleting the present Article 195 and adopting the following in substitution thereof:

'195. The Company shall send any notice or other document or information pursuant to these Articles the Companies Acts or other rules and regulations

applicable to the Company to a member by whichever of the following methods it may in its absolute discretion determine:

- (a) personally; or
- (b) by posting the notice or other document in a prepaid envelope addressed, in the case of a member, to his registered address, or in any other case, to the person's usual address; or
- (c) by leaving the notice or other document at that address; or
- (d) if the member has agreed (generally or specifically) that the document or information may be sent or supplied using electronic means (and has not revoked that agreement), by sending the notice or other document using electronic means to such address (if any) for the time being notified to the Company by or on behalf of the member for that purpose (generally or specifically); or
- (e) in accordance with Article 196; or
- (f) by any other method approved by the board.'

### Article 196 and 197: Website publication by Company

Deleting the present Articles 196 and 197 and adopting the following in substitution thereof:

'196. Subject to the Companies Acts, the Company may also send any notice or other document or information pursuant to these Articles, the Companies Acts or other rules and regulations applicable to the Company to a member by publishing that notice or other document or information on a website where:

- (a) the member has agreed (or is taken to have agreed in accordance with the Companies Acts) to him having access to the notice or document or information on a website (instead of it being sent to him);
- (b) the notice or document is one to which that agreement applies;
- (c) the member is notified, in writing, of:
  - (i) the publication of the notice or document on a website;

- (ii) the address of that website;
- (iii) the place on that website where the notice or document may be accessed, and how it may be accessed; and

- (d) the notice or document is published on that website throughout the publication period, provided that, if the notice or document is published on that website for a part, but not all of, the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

197. In Article 196 **publication period** means:

- (a) in the case of a notice of an adjourned meeting pursuant to Article 80 a period of not less than seven clear days before the date of the adjourned meeting, beginning on the day following that on which the notification referred to in sub paragraph (c) above is sent or (if later) is deemed sent;
- (b) in the case of a notice of a poll pursuant to Article 88, a period of not less than seven clear days before the taking of the poll, beginning on the day following that on which the notification referred to in sub paragraph (c) above is sent or (if later) is deemed sent;
- (c) otherwise, for the applicable notice period specified in these Articles or any applicable provision of the Companies Act; and
- (d) in any other case, a period of not less than 28 days, beginning on the day following that on which the notification referred to in Article 196 (c) above is sent or (if later) is deemed sent.'

#### **Article 209A: Right to hard copy**

Inserting a new Article 209A immediately following the present Article 209 as follows:

- '209A. Where a member has been sent a notice, document or other information by the Company otherwise than in hard copy form, the Company will, without charge, send a copy of such notice,

document or other information in hard copy form to the member concerned within 21 days after receipt by the Company of a request in writing therefor from such member.'

#### **Article 218: Indemnity to directors and officers**

Deleting the present Article 218 and adopting the following in substitution therefor:

- '218. Subject to the provisions of the Companies Acts, the Company may indemnify any director, officer or employee of the Company or of any associated company against any liability and may purchase and maintain for any director, officer or employee of the Company or of any associated company insurance against any liability.'

#### **Article 219: Jurisdiction**

Inserting a new Article 219 immediately following the present Article 218 as follows:

- '219. Any proceeding, suit or action: (i) between a shareholder in that shareholder's capacity as such and the Company and/or its directors arising out of or in connection with these Articles or otherwise; and/or (ii) to the fullest extent permitted by law, between the Company and any of its directors in their capacities as such or as employees of the Company, including all claims made by or on behalf of the Company against its directors; and/or (iii) between a shareholder in that shareholder's capacity as such and the Company's professional service providers and/or (iv) between the Company and the Company's professional service providers arising in connection with any claim within the scope of this Article 219 sub-paragraph (iii), may only be brought in the courts of England and Wales, for this purpose 'court' shall mean any court of competent jurisdiction or other competent authority including, for the avoidance of doubt, a court or authority in any jurisdiction which is not a signatory to the New York Convention. Damages alone may not be an adequate remedy for any breach of Article 219, so that in the event of a breach or anticipated breach, the remedies of injunction and/or an order for specific performance would in appropriate circumstances be available.'

**Prudential public limited company**

Incorporated and registered in England  
and Wales

**Registered office:**

Laurence Pountney Hill  
London EC4R 0HH

Registered number: 1397169

Prudential plc is a holding company,  
some of whose subsidiaries are authorised  
and regulated by the Financial Services  
Authority (FSA)

**[www.prudential.co.uk](http://www.prudential.co.uk)**



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