Prudential plc is dedicated to providing protection, savings and investment opportunities to our customers; social and economic benefits to the communities in which we operate; jobs and opportunities to our employees; and financial benefits for our investors. We are clear – slavery, human trafficking, child labour or any other abuse of human rights has no place in our organisation or supply chain.

We set out below our transparency statement under the UK Modern Slavery Act 2015 ("MSA"), for the 2018 financial year, which details what we have done and are doing to help us deliver on this commitment. This statement is published on behalf of Prudential plc and each of its subsidiary commercial organisations carrying on a business in the UK which has an annual turnover in excess of £36 million¹ (each a "Prudential Subsidiary").

About us

Prudential plc is an international insurance and fund management services group ("Group"). We have significant operations in Asia, the US and the UK and Europe. In recent years, we have also expanded our operations in Africa. We serve around 26 million insurance customers and have £657 billion of assets under management (as at 31 December 2018). The Group consists of three main Business Units: Prudential Corporation Asia, Jackson National Life Insurance Company in the United States, and M&GPru. Further detail on the Group can be found here.

Modern Slavery

The MSA defines modern slavery as "slavery, servitude and forced or compulsory labour" and "human trafficking" ("Modern Slavery"). As a financial services provider, we believe that the risk of Modern Slavery occurring within our core financial services business is relatively low. Therefore, the focus of our efforts in relation to the detection and prevention of Modern Slavery is directed towards our supply chain, which is of a type that will be similar to that of many other financial services and professional services firms. Our supply chain providers include businesses that provide and maintain our IT network and systems, businesses that provide specialist professional and advisory services, and businesses that support our staff and their work environment (such as facilities management and office services).

Our existing governance framework

We require the highest possible standards of professional and ethical conduct of all our people. Our Code of Business Conduct ("Code") sets out the standards that are required across the Group, by all employees and any individuals and organisations acting on our behalf. Our core values of prudence, security, integrity and initiative underpin all of our activities and, along with the standards required by this Code, are fundamental to the Group's long-term success.

A strong governance framework supports the Code, at the heart of which sits the Group Governance Manual ("GGM"). The GGM sets out the policies and processes by which the Group operates within its framework of internal governance, taking into account relevant statutory and regulatory matters, including social, environmental and ethical practices adopted across the organisation. It is mandatory for each of Prudential's Business Units, on an annual basis, to evaluate and certify its compliance with the requirements set out within Group-wide policies as well as other matters. Formal reporting and approval procedures are followed when defining corrective actions to address instances of non-compliance.

¹ This statement does not apply to investee companies held by equity investment businesses within the Prudential Group.
The following GGM policies currently support us in meeting our MSA-related responsibilities:

- **Group Third Party Supply Policy** – We are committed to making sure that we have a robust, well-managed outsourced and third-party supplier network, not least as it allows our businesses to focus on their core business strengths. However, we are aware that using third-party suppliers also brings with it certain responsibilities. We have established requirements for the management of third-party supply arrangements across the Group, including due diligence/se lection criteria, contractual requirements, the ongoing monitoring of such relationships and the reporting and escalation framework that supports the identification of critical supplier arrangements. Our Business Units may also adopt their own supporting policies and reporting procedures at a local level.

  As part of these minimum standards, all Business Units are expected to take into consideration local legislation, including (where relevant) the requirements of the MSA and local and international law regarding the detection and prevention of Modern Slavery. As part of the selection process for a possible critical third-party supply arrangement, this would include an assessment of the risks of the provider breaching the United Nations' Universal Declaration of Human Rights ("UDHR"). All of our employees are expected to ensure that third-party supply arrangements are entered into in compliance with the Group Third Party Supply Policy.

- **Group Health and Safety Policy** – We recognise the importance of managing the health, safety and wellbeing of our employees, and of controlling the level of safety and health risk to which our employees, suppliers, customers and visitors are exposed. We are committed to ensuring compliance with health and safety legislation and standards to which our businesses are subject. We actively work with our suppliers and contractors to ensure they adopt good industry practice wherever they are based. Our Group Health and Safety Policy can be found [here](#).

- **Group Employee Relations and Resourcing Policies** – We believe in supporting human rights and acting responsibly and with integrity in everything we do. Our policies are guided by the principles of the UDHR and the International Labour Organisation’s core labour standards. These are also incorporated into our Group Code of Business Conduct, which sets out the Group’s values and expected standards of behaviour for all employees, and in our Group Third Party Supply Policy.

  Our Group Employee Relations and Resourcing policies are available on our Group website and can be found at this [link](#), along with this Board-approved Modern Slavery Act (MSA) statement. Our Business Units implement policies and practices at a local level that aim to ensure compliance with statutory and regulatory requirements in the local labour market and the prevention of slavery, human trafficking, and child and forced labour.

- **Group Security Policy, covering Confidential Reporting** – We operate ‘Speak Out’, an online and telephone confidential reporting service that encourages employees to raise concerns, including concerns about human rights violations, such as issues relating to Modern Slavery. Every concern submitted is assessed and investigated, as appropriate, with remedial action taken if required. The ‘Speak Out’ facility is overseen by our Group Audit Committee. For more information please follow this [link](#).

**Steps we are taking**

Prudential remains committed to the continued development of its approach to Modern Slavery-related risk identification, monitoring and reporting, and proactive mitigation of identified Modern Slavery risks.
**Policies**

Prudential’s Group Code of Business Conduct, Group-wide polices and governance processes are key tools in our journey to meet our Modern Slavery Act commitments. Policies are reviewed and updated regularly. Our Group Third Party Supply policy reflects both internal objectives and regulatory requirements within which our business operates.

Our Group Code of Business Conduct can be found [here](#).

**Supply chain**

Our Procurement teams across our UK businesses have further embedded a co-ordinated response to the requirements of the MSA, with a focus on our external supply chain, as follows:

- Prudential continues to invest in E-Procurement tools (such as Coupa and Workday) that support the increased visibility and controls that enable appropriate supplier due diligence to be undertaken for key suppliers. These tools and frameworks are deployed using methods that help identify risks to the organisation in a timely and structured manner.

- Procurement highlight within all tender activity the Group expectations around Modern Slavery. This is undertaken regardless of the supplier statutory position (therefore suppliers under the £36 million threshold are not exempted from our requirements).

- Prudential contracts remain refreshed and updated for Modern Slavery provisions.

- Group and UK Procurement have created a Service Criticality Assessment (segmentation) tool, which was deployed in 2018. This is being used to test for supplier contracts where there may be a potential risk exposure to Modern Slavery and is used to trigger due diligence steps as an early warning alert. Similarly, our Corporate Property team developed and implemented a supplier segmentation tool to help identify, manage and mitigate risks, including Modern Slavery. This is applied across the lifecycle of the deal at pre-contract, contracting, deployment and ongoing service monitoring.

- During 2019 we will be rolling out a programme to review suppliers where there is a heightened exposure to Modern Slavery (for example, uniform provision) to ensure that we have up-to-date due diligence and can evidence full compliance is being properly maintained. This will take the form of a questionnaire and an attestation that the supplier is compliant. In the case of any marginal or negative responses from suppliers this will be followed up with a site visit to the supplier.
Case Studies
The following case studies illustrate our ongoing commitment to eliminating Modern Slavery from our supply chain.

Training and awareness

**Implementation of Modern Slavery protection measures in Prudential’s selection of suppliers to provide staff uniforms**

Clothing is known as a high-risk area across the supply chain and the selection of a supplier for our 2018 uniform requirements, covering front of house staff, was immediately identified for special risk attention by Procurement. As part of our standard due diligence we ensure that all potential suppliers are aware of our expectations in respect of our Modern Slavery and Living Wage policies. During this procurement activity, most potential suppliers fell under the statutory minimum threshold for their own organisation publishing a Modern Slavery statement so Procurement went into detailed discussions to establish each supplier’s position. This included reviewing the measures each of them had in place locally. Our findings identified that one potential supplier had inadequate protection and it was immediately de-selected and informed of the rationale behind our decision. Even though our chosen supplier fell under the statutory reporting threshold, it had implemented measures throughout its supply chain and published a Modern Slavery statement in recognition of the gap it had to market products effectively.

**The selection of a removal partner for office relocations**

The selection of a removal partner to assist in the relocation of over 3,000 staff in London was undertaken in Q4 2018. This represents a key project for the Group. Procurement recognised the risk inherent in the removal industry around the exposure to both Modern Slavery and low levels of pay in the removals category.

Procurement engaged a specialist consultant to oversee the tender process and scope the moves, with an emphasis on achieving the relocations within the timescale, while ensuring that the people involved in the moves were appropriately trained, supervised and remunerated. Procurement were particularly concerned that the selected supplier did not attempt to reduce the required manpower, so that any removal team members could be compelled into unpaid overtime, or physical risk through under-resourcing the teams.

The supplier also had to ensure that all staff working in the teams were not paid less than the Living Wage. The selected supplier demonstrated a clear understanding of the requirements so that the resource model for the task was both appropriate and fit for purpose, with adequate contingency to ensure a successful relocation within the timeframe and that requisite skillsets were appropriately paid.
We have previously invested in upskilling our Procurement function to assist in pre-empting potential Modern Slavery issues in our supply chain. This continues to provide an early detection and analysis mechanism for any problem categories of supplier spend requiring additional due diligence. Additionally, every year, our employees are required to complete mandatory training reflecting our regulatory and legal obligations as a financial services provider. We also require all our employees to comply with the Code. Training and awareness-building of the requirements of the MSA continue to strengthen the Group.

Approval date

This 2018 statement was approved by the Prudential plc Board on 27 March 2019 and by each Prudential Subsidiary Board between 8 April 2019 and 10 May 2019.

Evaluating our progress in 2018

During the 2018 financial year:

- So far as we are aware, no Modern Slavery concerns were identified as part of current monitoring procedures of our supply chain, including through our health and safety compliance, inspection and auditing processes.

- We had no reports to ‘Speak Out’, our online and telephone confidential reporting service, involving Modern Slavery issues or concerns.

- Through the annual GGM policy attestation, Business Units have not raised any issues specifically relating to Modern Slavery.

Signed

[Signature]

Mike Wells, Group Chief Executive

This statement covers the following entities: