



## Pru Life Insurance Corporation of U.K.

### Revised Charter : Remuneration Committee

#### 1. Purpose

The Remuneration Committee (“Committee”) is a standing committee of the Board of Directors (“Board”) of Pru Life Insurance Corporation of U.K. (“Pru Life UK”) whose primary function is to assist the latter in good corporate governance, particularly in establishing formal and transparent procedures for developing a policy on remuneration of directors and officers, consistent with the Pru Life UK 's culture and strategy, the regulatory requirements and the business environment.

#### 2. Membership

The Remuneration Committee shall be composed of three (3) members of the Board. A majority of the members of the Committee must be independent directors. The Chairman (or Chairmen) and the members of the Committee shall be appointed by the Board and shall have a term of one (1) year or until their successors are appointed by the Board. The Chairman (or Chairmen) shall be an independent director.

#### 3. Meetings

The Committee shall meet at least twice every year. The Committee shall meet at such other times as determined by a majority of its members or by the Board. The Committee shall report to the Board on its activities following each meeting.

The quorum for a meeting of the Committee is two (2) members. When the Chairman of the Committee is not available to attend a meeting, the Co-Chairman shall preside, or if none, the remaining two (2) members should agree for one of them to act as the chairperson for the meeting and document such in the minutes.

The Committee may invite any individual, whether external or internal, to attend all or part of any meeting(s) of the Committee in whatever capacity as the Committee deems appropriate to assist the Committee in the fulfillment of its duties. The PCA Regional Chief Executive, Insurance Growth Markets (if not already a member of the Committee) and Chief Human Resources Officer for PCA, or their nominated delegates, have a standing invitation to attend any and all meetings of the Committee.

#### 4. Duties and Responsibilities

The Committee shall

- A. establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company’s culture and strategy as well as the business environment in which it operates;
- B. review and assess the position of Pru Life UK relative to other companies as regards board and senior

- management<sup>1</sup> compensation and make recommendations annually to the Board with regard thereto;
- C. report to the Board as to all such matters; and
  - D. undertake such other duties and exercise such powers as may from time to time be assigned to or vested in the Committee by the Board.

## **5. Agenda Items for Committee Meetings**

At any time before the beginning of each year, the Chairman shall present to the Committee the agenda items to be discussed for the coming year. Each Committee member shall be free to suggest agenda items for inclusion. A detailed agenda and, to the extent feasible, supporting documents and proposed resolutions shall be provided to the Committee members at least one (1) week prior to each Committee meeting. Committee members shall review the materials in advance of the scheduled meeting.

## **6. Reporting Procedures**

The Corporate Secretary will minute the proceedings and retain copies of the papers for each Committee meeting. The minutes of the Committee meeting shall reflect its deliberation on key issues and decision it takes.

The Corporate Secretary shall submit the draft minutes of meetings to the Chairman of the meeting for comment within a reasonable time after each Committee meeting. Once the Chairman of the meeting is satisfied that the minutes accurately reflect the meeting proceedings and decisions reached at the meeting, the draft minutes should be sent to all the other members who were at the meeting for their reviews and comments no later than fifteen (15) business days from each Committee meeting. The minutes of the Committee meeting shall be finalized no later than twenty eight (28) business days after each Committee meeting and the final minutes of the last Committee meeting to be included in the agenda papers of the next Committee meeting.

The minutes are evidence of the proceedings of a meeting once they have been signed by the Chairman of the Committee or meeting, as applicable.

## **7. Corporate Secretary**

The Committee shall be entitled to the services of a Corporate Secretary who must ensure that all appointments are properly made, that all necessary information are obtained from directors, both for Pru Life UK's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the requirements of the Insurance Commission and other regulatory agencies.

The Corporate Secretary shall see to it that the Board follows correct procedures during meetings and shall assist the Chairman in organizing the Committee's activities including the preparation of the agenda and minutes of the meetings and reporting of meetings, evaluations and training programs.

## **8. Conflicts of Interest**

As soon as practicable after a Committee member becomes aware of any matter that gives rise or is likely to give rise to a conflict of interest in the discharge of such Committee's duties, the Committee member

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<sup>1</sup> The definition of senior management for this purpose shall be determined by the Board but would normally include first level management below Board level.

must disclose the matter by giving written notice of the matter to each of the other Committee members of the Company. Under such circumstances, the Committee member should abstain himself/herself from participating in further discussion or voting on such matters where there exist conflicts of interest.

**9. Performance Evaluation**

The Committee shall conduct an annual self-evaluation to determine its effectivity in the following areas:

- A. breadth and depth of the Committee's knowledge of corporate governance,
- B. discharge of its roles and responsibilities and the responsibilities of the Chair of the Committee,
- C. Committee composition and qualifications of its members,
- D. independence from Management and ethical conduct, and
- E. clarity of communications with the Board and Management and the degree to which these communications have been understood and acted upon.

**10. Review and Disclosure of the Charter**

The Committee shall review its Charter at least once annually, recommending any changes it considers necessary to the Board for approval. The Committee Charter shall be publicly available and posted on the Company's website.