



## **Pru Life Insurance Corporation of U.K.**

### **Charter: Governance and Nomination Committee**

#### **1. Purpose**

The Governance and Nomination Committee (“Committee”) is a standing committee of the Board of Directors (“Board”) of Pru Life Insurance Corporation of U.K. (“Pru Life UK” or the “Company”) whose primary function is to assist the Board in

- A. ensuring compliance with and proper observance of corporate governance principles and practices;
- B. defining and assessing qualifications for Board membership and nominating qualified candidates for election or appointment to the Board; and
- C. defining and assessing qualifications for such other positions requiring appointment by the Board.

#### **2. Membership**

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

#### **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 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 Chief Executive - Insurance, and the Chief Risk 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 perform the following functions

- A. review and assess the effectiveness of the Board’s processes and procedures in the nomination, election or replacement of directors on an annual basis;
- B. carry out basic checks of a potential director’s standing, including details of any conflicts of interest, criminal record or regulatory sanctions;

- C. in reviewing the appointment, take into consideration the overall balance of the Board members, local regulatory requirements and the need for the Board to work effectively;
- D. review and evaluate the qualifications of all persons nominated to the Board and other positions requiring appointment by the Board;
- E. prepare a description of the roles and requirements of a particular appointment;
- F. recommend persons to fill any vacancy on the Board which the Board may fill pursuant to Pru Life UK's governing law, directors to be appointed to Committees of the Board, and nominees for election or re-election as directors;
- G. consider potential director candidates as directed by the Board;
- H. prepare job specifications for the position of Chairman and each member of the Board, including an assessment of the time commitment expected of the Chairman and each member of the Board, recognizing the need for their availability in the event of crisis;
- I. report to the Board as to all such matters;
- J. oversee the implementation of the corporate governance framework and periodically review the framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;
- K. oversee the periodic performance evaluation of the Board and its Committees as well as executive management, and conduct an annual self-evaluation of its performance;
- L. ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address identified areas for improvement;
- M. recommend continuing education/training programs for directors, assignment of tasks/projects to Board Committees, succession plan for members of the Board and senior officers;
- N. adopt corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented in form and substance;
- O. propose and plan relevant trainings for the members of the Board;
- P. determine the nomination and election process for the Company's directors and define the general profile of Board members that the Company may need and ensure appropriate knowledge, competencies, and expertise that complement the existing skills of the Board;
- Q. prepare and recommend to the Board an effective succession plan program for directors;
- R. review the Board diversity policy in line with the Company's strategic objectives; and
- S. 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.

In addition to the foregoing, the Committee shall, on an annual basis, assess the size and composition of the Board and the required qualifications of the directors in light of the operating requirements and strategic direction of Pru Life UK. In this connection, the President/CEO or his designated representative shall provide the Committee with the Company's strategic plan/operating requirements for the next three (3) to five (5) years.

The Committee shall perform the following process of selecting and appointing the directors of the Company:

- A. identify the necessary qualifications of the Company's directors that would be necessary and helpful in achieving said strategic plan/operating requirements;
- B. recommend to the Board the directors for replacement or continued service and nominate new qualified directors as may be required based on the evolving needs of Pru Life UK;
- C. provide the Board with a short list of possible candidates who have been assessed by the Committee;

and

- D. consider candidates from all sources, including nominations from minority shareholders (if any) and recommendations from third party professionals engaged to conduct a search, to deliver a gender-balanced slate of diverse and equally qualified potential candidates in line with the diversity criteria below.

The new directors shall be elected in accordance with the provisions of the Revised Corporation Code and the Company's By-Laws.

## **5. Diversity Policy**

It is in the best interest of Pru Life UK that its Board be composed of highly qualified directors with diverse backgrounds and whose experience and technical expertise are in line with and/or complement the business and operations of Pru Life UK. The Committee shall identify and recommend potential candidates to the Board:

- A. who are highly qualified and possess the necessary experience and technical expertise; and
- B. whose qualifications can further diversity in gender, age, ethnic background, geographic origin, and cultural and religious background.

While all Board appointments must collectively reflect and support diversity and inclusion, they must also be made on merit, in the context of the skills, experience, independence and knowledge which the Board requires to be effective and having regard to the prevailing business strategy of the Company.

## **6. 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.

## **7. 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.

## **8. 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.

## **9. 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 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.

## **10. 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,
- E. clarity of communications with the Board and Management and the degree to which these communications have been understood and acted upon, and
- F. oversight capability over compliance with the requirements under the Insurance Commission's Code of Corporate Governance and the ASEAN Corporate Governance Scorecard.

## **11. Review 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 Pru Life UK's website.