STATE OF NEW JERSEY

Filed

June 26, 2023

Commissioner

Department of Banking & Insurance

REPORT ON THE

GROUP-WIDE EXAMINATION

OF

<u>PRUDENTIAL FINANCIAL, INC.</u>

<u>NEWARK, NEW JERSEY</u>

AS OF DECEMBER 31, 2021

NAIC GROUP CODE 0304

<u>GROUP-WIDE SUPERVISOR</u>

NEW JERSEY

<u>PARTICIPATING STATES</u>

ARIZONA

CONNECTICUT

INDIANA

Prudential Financial, Inc.

Financial Examination as of December 31, 2021

TABLE OF CONTENTS

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MARLENE CARIDE
Commissioner

May 25, 2023

Honorable Marlene Caride, Commissioner
Commissioner of Banking and Insurance
State of New Jersey
20 West State Street
Trenton, New Jersey 08625

Dear Commissioner Caride:

Pursuant to your instructions and in accordance with the authority vested in you by the provisions of N.J.S.A. 17:23-21 et seq. and N.J.S.A. 17:27A-5 and New Jersey's powers as Group-wide Supervisor under N.J.S.A. 17:27A-5.2, a group-wide examination has been conducted of:

Prudential Financial, Inc.
751 Broad Street
Newark, NJ 07102
NAIC Group Code 0304

Prudential Financial, Inc. ("PFI") is a financial services company which has operations worldwide and offers, through its affiliated companies, a wide array of financial products and services including life insurance, annuities, retirement-related services, mutual funds, and investment management services. PFI's executive offices are located in Newark, New Jersey.

GROUP-WIDE EXAMINATION AND SUPERVISION

The New Jersey Department of Banking and Insurance (the "Department" or "NJDOBI") led a coordinated full-scope and risk-focused financial examination of PFI's group of companies (the "Group") as of December 31, 2021, and for the period 2017-2021. Examination reports were submitted to the respective authorities for each of the Group's insurers domiciled in the U.S. and a consolidated group-wide examination report is submitted herein.

This examination is a global, consolidated group-wide examination completed by the Department as the Group-wide Supervisor ("GWS") pursuant to N.J.S.A. 17:27A-5 and N.J.S.A. 17:27A-5.2. The prior examination for the period of 2012-2016 was also coordinated by the Department as GWS.

As Prudential's GWS, the Department has the power to conduct and coordinate the following: 1) assessment of enterprise risk within Prudential to ensure that the material financial condition and liquidity risks to the insurers in the group are identified by management, and, reasonable and effective mitigation measures are in place for the risks without regard to their source; 2) request information from any Prudential entity to assess enterprise risk including, but not limited to, information regarding governance, risk assessment and management, capital adequacy, and material intercompany transactions; 3) compel development and implementation of reasonable measures designed to recognize and mitigate material risks to the insurers in the group; and 4) any other group-wide supervisory activities considered appropriate.

This examination covered a five-year period from January 1, 2017 to December 31, 2021, including any material transactions and/or events occurring subsequent to the examination date and noted during the course of the examination. In addition to the Group's insurers domiciled in the U.S., the examination included the Group's insurers domiciled outside of the U.S. and non-insurance companies, as well as activities of PFI as the ultimate controlling party.

The Arizona, Connecticut, and Indiana insurance departments participated in this examination. In addition, the Department held meetings with other regulators of the Group's companies and obtained and reviewed copies of regulatory reports received by the Group to ascertain any issues, concerns, and/or material regulatory actions identified by other regulators.

As part of the regulatory supervision of the Group, several domestic and foreign regulators participate in an annual supervisory college. The purpose of the supervisory college is to promote ongoing supervisory cooperation and coordination, to facilitate the sharing of supervisory information among regulators, and to enhance each regulator's understanding of the Group's risk profile. Information and materials provided during the supervisory college were considered within the examination.

Risk & Regulatory Consulting, LLC ("RRC") was engaged by NJDOBI to perform examination procedures for certain key functional activities of the Group, including evaluation of financial condition, information technology controls, and to conduct the actuarial and investment reviews of the Group.

Subsequent to the prior examination as of December 31, 2016, the Department engaged RRC to perform various reviews and limited scope examination procedures in support of the Department's role as GWS. This work was performed under the direction and supervision of the Department and included the following:

- Annual review of PFI's Own Risk Solvency Assessment ("ORSA") filing and preparation of related recommendations to PFI and to the Department for regulatory follow-up
- Limited-scope examination of PFI's risk mitigation strategies regarding institutional conflicts of interest as of December 2018
- A Market Conduct limited-scope examination of Guaranteed Group Annuity ("Pension Risk Transfer") reserving practices as of April 2021 ("unlocated annuitants")
- Review of PFI's Variable Annuity hedging program as of July 2019
- Risk-focused examination of the Group's Long-Term Care ("LTC") business for the period of January 1, 2017 to December 31, 2020
- Coordinated review with the Arizona Department of Principle-Based Reserving ("PBR") reports as of 2019, 2020 and 2021
- Other reviews requested by the Department in support of its GWS role, primarily of an actuarial nature (e.g., compliance with Actuarial Guidelines, review of proposed reinsurance transactions)

Various workpapers and reports from these examination and review procedures were used to support our understanding of the Group and in identification of risks during examination planning procedures. We also placed reliance on certain of these workpapers and reports where appropriate during examination testing.

SCOPE OF EXAMINATION

The examination commenced with a comprehensive review of the Group's legal entity structure, which included the Group's insurers domiciled in the U.S., insurers domiciled outside of the U.S., and non-insurance companies. A reconciliation of all legal entities was completed and compared to the Group's regulatory filings with the Department, including Schedule Y of The Prudential Insurance Company of America's ("PICA") annual statutory statement for 2021. All entities, including the ultimate controlling party of the Group, were in scope for the examination with tailored risk-focused approaches as noted below.

The examination team also obtained an understanding of the Group's corporate governance and control structure at the beginning of the examination. The examination team noted that the Group benefits to a large degree from common management, systems and processes, internal controls, and risk management functions that are administered at the Group and business unit level.

The examination team reviewed various public and non-public materials submitted by the Group, including but not limited to:

- Board of Directors ("Board") and other Board committee minutes through the end of fieldwork
- External audit reports completed by the Group's independent certified public accountants, PricewaterhouseCoopers, LLP ("PwC")
- Management's Discussion and Analysis, as reported for statutory purposes
- Actuarial Memoranda
- Statements of Actuarial Opinion
- Documentation supporting Section 404 of the Sarbanes-Oxley Act of 2002
- Form 10-K reports of PFI filed with the Securities and Exchange Commission ("SEC")
- Annual Statements and other reports filed with the Department
- Reports from the Group's Internal Audit function
- Rating Agency reports
- Reports and work from other regulators of the Group

A comprehensive review was also made of the financial analysis files and documents submitted by the Department's and participating states' financial analysis units and reports from the National Association of Insurance Commissioners ("NAIC") database.

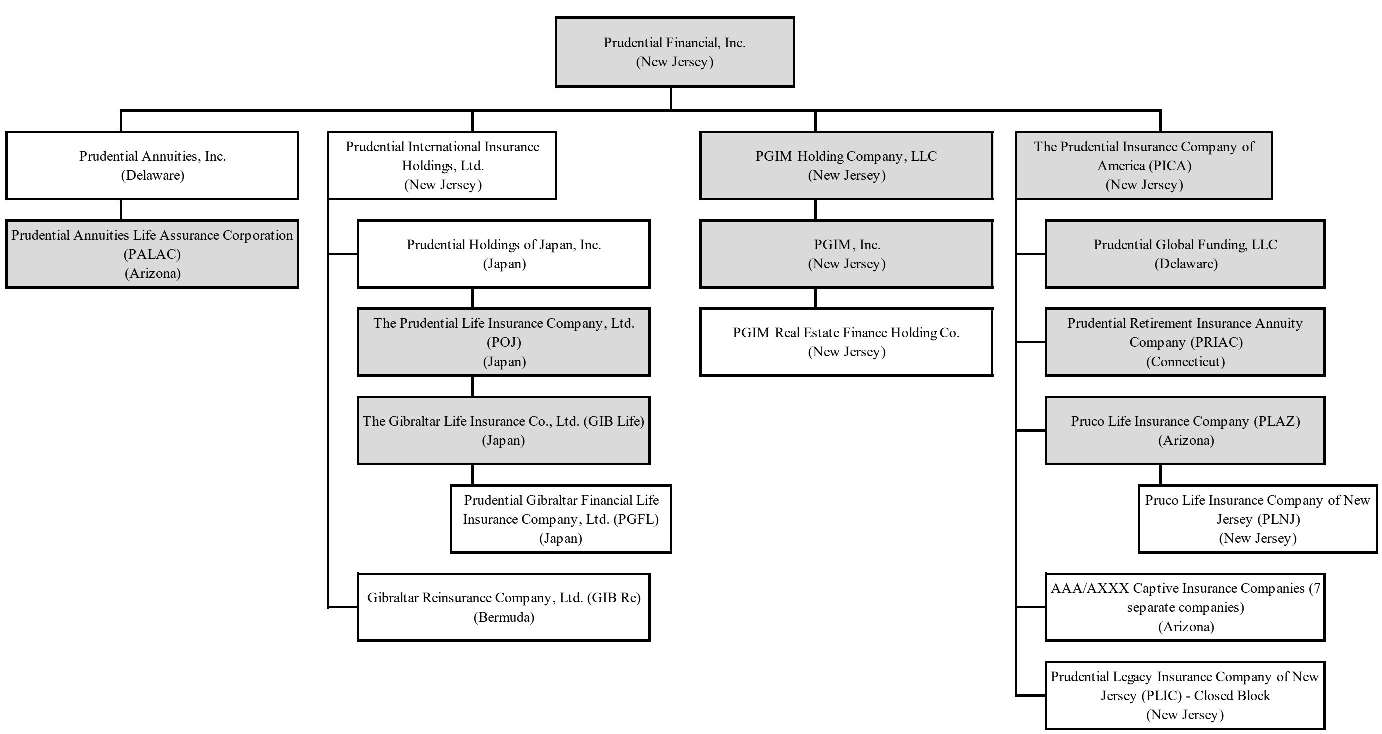
Workpapers prepared by PwC in connection with the audits of the Group's financial statements as of December 31, 2020 and December 31, 2021, were reviewed and relied upon to the extent deemed appropriate. Portions of PwC's workpapers have been incorporated into the examination workpapers.

Material Legal Entities and Organizational Structure

PFI's 400+ consolidated domestic and international subsidiaries consist generally of operating companies for current or discontinued businesses, intermediate holding companies, entities holding strategic and other investments, and other single-purpose entities. The Group has insurance businesses throughout the world, with the most significant insurance entities in the United States, Japan and Brazil. Most of the Group's non-insurance entities provide investment management and advisory services by means of institutional portfolio management, retail funds management, private lending, asset securitization activity, and other structured products. These products and services are provided to third-party clients and to other Group businesses.

In addition, in furtherance of its asset management business and investment operations, the Group maintains ownership or management interest in a significant number of legal entities that serve as (i) fund vehicles or general or limited partners in those funds that are sponsored by the Group for investment, principally by others, in real estate assets, and (ii) single-purpose entities holding investments for sponsored funds or for the Group's insurance subsidiaries.

The following organizational chart of significant entities within the Group's holding company structure includes the Group's nine individual Material Legal Entities ("MLE") as of December 31, 2021, which represent a majority of the Group's consolidated assets, liabilities and revenues from its U.S., international, and non-insurance businesses.



The nine material legal entities are:

1. Prudential Financial, Inc. (New Jersey): PFI is the ultimate holding company and parent of all legal entities in the organization. PFI has no significant operations beyond providing capital support, liquidity and funding for its subsidiary entities.
2. The Prudential Insurance Company of America (New Jersey): PICA, a direct, wholly owned subsidiary of PFI, provides a wide array of financial products and services, including life insurance, annuities, pension, and retirement related services and administration. PICA and its subsidiaries offer these products and services to individual and institutional customers. At December 31, 2021, PICA was the direct parent of PRIAC, PLAZ, PLIC, and the domestic captive insurance companies domiciled in Arizona.
3. Prudential Global Funding, LLC ("PGF") (Delaware): PGF is a Delaware limited liability company. It is 99% owned by PICA and 1% owned by PLAZ. PGF is the central derivatives conduit for executing interest rate, equity, foreign exchange, and credit default derivatives (e.g., swaps and options) with third parties on behalf of the Group's entities. PGF is not a market-maker, swap dealer, or major swap participant in any swap transaction or security-based swap transaction.
4. Prudential Retirement Insurance and Annuity Company ("PRIAC") (Connecticut): PRIAC was a wholly owned subsidiary of PICA as of December 31, 2021. All business activity in PRIAC occurred in connection with the Group's Retirement business. PRIAC provided retirement investment and income products and administration services to public, private, and not-for-profit organizations for both qualified and nonqualified defined contribution and defined benefit retirement plans. PRIAC also offered group annuity products that provide risk transfer solutions to U.S. pension plan sponsors seeking to manage risk exposures and offered longevity reinsurance with respect to non-U.S. pension schemes. In July 2021, the Group entered into a definitive agreement with Empower Annuity Insurance Company of America ("Empower") pursuant to which the Group agreed to sell to Empower the Group's full-service retirement business, primarily through a combination of (i) the sale of all of the outstanding equity interests of certain legal entities, including PRIAC; (ii) the ceding of certain insurance policies through reinsurance; and (iii) the sale, transfer and/or novation of certain in-scope contracts and brokerage accounts. The sale closed on April 1, 2022, and as such, PRIAC is no longer a PFI subsidiary entity.
5. Pruco Life Insurance Company ("PLAZ") (Arizona): PLAZ is a wholly owned subsidiary of PICA and offers a range of individual annuities and life insurance products including variable annuities, fixed annuities, term life insurance, variable life insurance, and universal life insurance. All of the Group's variable annuities offered outside of New York are now sold through PLAZ (variable annuities offered in New York are sold through PLNJ). PLAZ's products are distributed through proprietary and third-party distribution networks, primarily to customers in the U.S. mass and mass affluent markets, as well as small business owners.
6. Prudential Annuities Life Assurance Corporation ("PALAC") (Arizona): PALAC was formerly known as American Skandia Life Assurance Corporation and was a wholly owned subsidiary of Prudential Annuities, Inc., as of December 31, 2021. Individual Annuities was the core business line conducted within PALAC. Beginning in March 2010, PALAC ceased offering its existing variable and fixed annuity products to new investors upon the launch of a new product line by PLAZ and PLNJ. In January 2018, PALAC resumed offering new annuities products with the launch of a non-registered fixed indexed annuity product. In September 2021, the Group entered into a definitive agreement to sell its equity interest in PALAC to Fortitude Group Holdings, LLC ("Fortitude Group"). The PALAC block primarily consisted of non-New York traditional variable annuities with guaranteed living benefits that were issued prior to 2011. The sale closed on April 1, 2022; as such, PALAC is no longer a PFI subsidiary entity.

7. The Prudential Life Insurance Company, Ltd. ("POJ") (Japan): POJ is a wholly owned subsidiary of PHJ. POJ offers a range of life insurance products and services to individual and institutional customers in Japan through its proprietary distribution network of 'Life Planners'. POJ is licensed under the Insurance Business Act by the Japan Financial Services Agency ("JFSA"), which is POJ's primary regulator.
8. The Gibraltar Life Insurance Company, Ltd. ("GIB") (Japan): GIB is a wholly owned subsidiary of PHJ. GIB offers a range of life insurance, individual annuity, and accident and health products and services to individual and institutional customers in Japan. GIB's products and services are distributed through three distinct channels: (1) proprietary distribution network, (2) independent agency, and (3) insurance products that are distributed by GIB's wholly owned subsidiary, The Prudential Gibraltar Financial Life Insurance Co., Ltd. ("PGFL"), through a network of Japanese financial institutions. GIB is licensed under the Insurance Business Act by the JFSA.
9. PGIM Holding Company, LLC (New Jersey): Holding company for PGIM branded global investment management businesses, including PGIM, Inc. ("PGIM"), with approximately \$1.5 trillion of assets under management at December 31, 2021. At December 31, 2021, PGIM is a leading global investment manager and was the 8th largest U.S. Defined Contribution Manager. PGIM is focused on the following clients/markets: (1) Institutional space, serving large institutions (47% of asset management fees); (2) Retail business, largely in the U.S., offering primarily '40 Act funds' through advisors (36% of asset management fees); and (3) managing the Group's General Account assets (17% of asset management fees). PGIM provides a range of global investment management, financing, and advisory services by means of institutional portfolio management, retail funds management, private lending, asset securitization activity, other structured products, strategic investments, and securities lending. These products and services are provided to third-party clients, affiliates, and certain of PFI's businesses. PGIM and other asset management legal entities at PFI are monitored by numerous regulators including, but not limited to, the SEC, state and foreign securities regulators, the U.S. Commodity Futures Trading Commission ("CFTC"), and self-regulatory organizations such as the Financial Industry Regulatory Authority ("FINRA") and the National Futures Association ("NFA").

Other significant legal entities within the group as identified above include:

1. Prudential Legacy Insurance Company of New Jersey ("PLIC") (New Jersey): PLIC is a stock life insurance company and a wholly owned subsidiary of PICA. When PICA converted from a mutual life insurance company to a stock life insurance company, as part of the demutualization and Plan of Reorganization approved by the NJDOBI, PICA established a regulatory mechanism known as the Closed Block. The Closed Block consists of PICA's liabilities for certain participating individual life insurance policies and annuity contracts issued in the United States. Assets were allocated to the Closed Block in an amount that was determined to produce cash flows which, together with revenues from policies included in the Closed Block, are expected to be sufficient to support obligations and liabilities relating to these policies.
2. Pruco Life Insurance Company of New Jersey ("PLNJ") (New Jersey): PLNJ is a wholly owned subsidiary of PLAZ and sells life insurance and annuities in New Jersey and New York only. PLNJ offers a range of annuities including variable annuities with fixed rate options and market value adjustments that are registered with the SEC, and annuities with fixed rate options without market value adjustments that are not registered with the SEC. Variable annuities may offer living benefits and death benefit guarantees. The majority of individual life in force is term business which includes a conversion option to permanent life insurance coverage. Most of the mortality risk associated with individual life contracts issued by PLNJ is reinsured to affiliates.

3. AAA/AXXX captive insurance company (Arizona): Prudential Arizona Reinsurance Captive Company ("PAR CC") was established in 2004 to provide reinsurance on certain term life insurance policies issued by PLNJ and PLAZ. These policies are subject to the statutory reserving requirements of Regulation XXX (AG38) prior to the implementation of PBR. PAR CC funds the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. PAR CC is a wholly owned subsidiary of PICA.
4. AAA/AXXX captive insurance company (Arizona): Prudential Arizona Reinsurance Universal Company ("PAR Universal") was established in 2011 to provide reinsurance on certain Universal Life ("UL") products sold by PLNJ and PLAZ. Some of these UL policies have secondary guarantees such that the underlying policy will not lapse as long as a specific amount of premium is paid, regardless of whether the account value on the policy is positive. These policies are subject to the statutory reserving requirements of Regulation AXXX (AG48) prior to the implementation of PBR. PAR Universal funds the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. PAR Universal is domiciled in Arizona and is a wholly owned subsidiary of PICA.
5. AAA/AXXX captive insurance company (Arizona): Gibraltar Universal Life Reinsurance Company ("GUL Re") was established in 2017 to provide reinsurance on certain UL products sold by PLAZ and previously supported by PURC. All of these UL policies have secondary guarantees such that the underlying policy will not lapse as long as a specific amount of premium is paid, regardless of whether the account value on the policy is positive. These policies are subject to the statutory reserving requirements of Regulation AXXX prior to the implementation of PBR. Certain policies with effective dates prior to 2015 that are not subject to AG48 are also reinsured in GUL Re. GUL Re may fund the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. GUL Re is domiciled in Arizona and is a wholly owned subsidiary of PICA.
6. AAA/AXXX captive insurance company (Arizona): Prudential Universal Reinsurance Company ("PURC") was established in 2013 to provide reinsurance on certain UL products sold by PLAZ with policy effective dates January 1, 2011 through December 31, 2016. Some of these UL policies have secondary guarantees such that the underlying policy will not lapse as long as a specific amount of premium is paid, regardless of whether the account value on the policy is positive. These policies are subject to the statutory reserving requirements of Regulation AXXX prior to the implementation of PBR. PURC may fund the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. PURC is domiciled in Arizona and is a wholly owned subsidiary of PICA.
7. AAA/AXXX captive insurance company (Arizona): Dryden Arizona Reinsurance Term Company ("DART") was established in 2006 to provide reinsurance on certain UL products sold by PLAZ. Originally named UPARC, the company changed its name to DART on January 1, 2018 and was repurposed to provide reinsurance of certain term life products issued by PLNJ and PLAZ with policy effective dates of January 1, 2018 through December 31, 2019. These policies are subject to the statutory reserving requirements of Regulation AXXX prior to the implementation of PBR. DART funds the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. DART is domiciled in Arizona and is a wholly owned subsidiary of PICA.
8. AAA/AXXX captive insurance company (Arizona): Prudential Term Reinsurance Company ("Term Re") was established in 2014 to provide reinsurance on certain term life insurance policies issued by PLNJ and PLAZ, and with policy effective dates from January 1, 2014 through December 31, 2017. These policies are subject to the statutory reserving

requirements of Regulation XXX prior to the implementation of PBR. Term Re funds the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. Term Re is domiciled in Arizona and is a wholly owned subsidiary of PICA.

9. AAA/AXXX captive insurance company (Arizona): Prudential Arizona Reinsurance Term Company ("PAR Term") was established in 2010 to provide reinsurance on certain term life insurance policies issued by PLNJ and PLAZ with policy effective dates from January 1, 2010 through December 31, 2013. These policies are subject to the statutory reserving requirements of Regulation XXX prior to the implementation of PBR. PAR Term funds the assets supporting the non-economic reserves it retains with proceeds from the issuance of surplus notes or other financing instruments. PAR Term is domiciled in Arizona and is a wholly owned subsidiary of PICA.
10. Prudential Annuities, Inc. (Delaware): At December 31, 2021, was the direct parent of PALAC, with no other substantial operations beyond distribution of individual annuity products.
11. Prudential International Insurance Holdings, Ltd. ("PIIH") (Delaware): PIIH is a direct subsidiary of PFI. PIIH is the parent holding company for the Group's Japan and ex-Japan entities engaged in the sale and distribution of the Group's international business, including in Japan, Bermuda, Brazil, Argentina, Mexico, and through joint ventures in other countries.
12. Prudential Holdings of Japan, Inc. ("PHJ") (Japan): PHJ is a direct subsidiary of PIIH and is the parent holding company for the Group's Japan entities engaged in the sale and distribution of insurance products and services to individual and institutional customers in Japan.
13. The Prudential Gibraltar Financial Life Insurance Co., Ltd. (Japan): PGFL was established after GIB acquired Yamato Life in April 2009. PGFL began selling new business in August 2010 focused on the bancassurance market, partnering with banks and financial institutions to sell life insurance and other products.
14. Gibraltar Reinsurance Company, Ltd. ("Gibraltar Re") (Bermuda): Gibraltar Re was incorporated as an exempted company under the laws of Bermuda in August 2018. Beginning in 2019, in order to more efficiently manage its capital and risk profile, the Group's Japan insurance entities entered into reinsurance agreements with Gibraltar Re to reinsure their mortality and morbidity risks associated with a portion of in force and newly issued contracts for certain products associated with yen- and U.S. dollar-denominated products. The Bermuda Monetary Authority ("BMA") is Gibraltar Re's primary regulator.
15. PGIM Real Estate Finance Holding Company (New Jersey) ("PGIM REF"): Through its various direct and indirect subsidiaries (namely PGIM REF, PGIM Real Estate Finance, and PGIM Real Estate), is principally engaged in real estate lending, loan servicing, investment advisory and asset management services. PGIM REF originates and acquires commercial, multi-family and agricultural loans. In addition, through its relationships with Government Sponsored Enterprises, including the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Administration ("FHA") and the Federal Agricultural Mortgage Corporation ("Farmer Mac"), PGIM REF provides fixed and variable rate construction and permanent financing to owners of multi-family, agriculture and healthcare related real estate on a nationwide basis.

<u>Insurance Companies Domiciled in the United States</u>

The examination procedures for the Group's U.S. domestic insurers were conducted in accordance with the seven-phased approach outlined in the NAIC Financial Condition Examiners Handbook (the "Handbook"). The Handbook guidance provides for the establishment of an examination plan based on the examiners' assessment of risk in the insurer's operations and utilization of that evaluation in formulating the nature and extent of the examination work required. The examiners planned and performed the examination to evaluate the current financial condition as well as identify prospective risks that may threaten the future solvency of the insurer. The examiners identified key processes, assessed the risks within those processes, and evaluated the internal control systems and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, evaluating the overall financial statement presentation, determining management's compliance with applicable state statutes, regulations and guidelines, and ensuring adherence to Statutory Accounting Principles and NAIC annual statement instructions.

During the planning phase of the examination, the following key functional activities were identified for the Group's insurers domiciled in the U.S. Both financial reporting risks and other than financial reporting risks were considered in each of the following key activities:

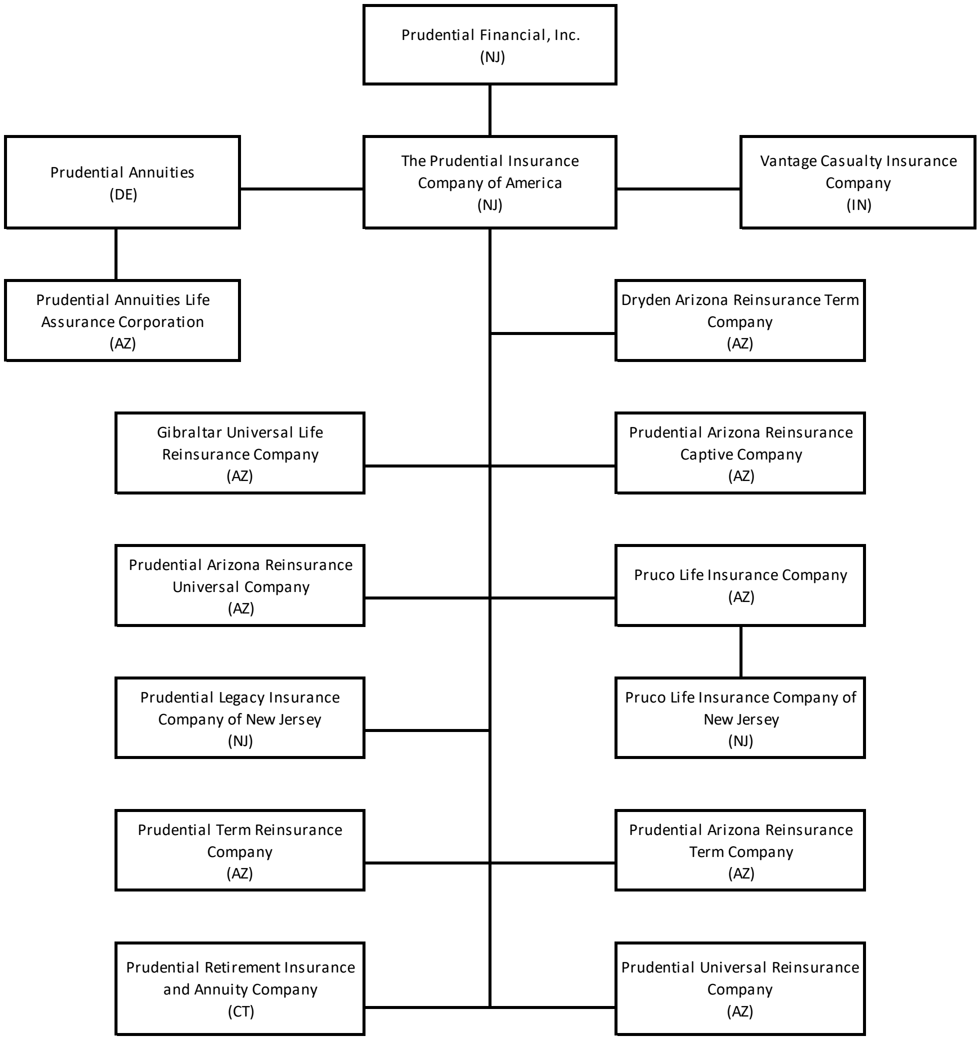
- Capital & Surplus
- Investments
- Actuarial (Reserving and Pricing)
  - Individual Annuity
  - Individual Life
  - Retirement
  - Group/LTC/Closed Block
- Reinsurance
- Related Party Transactions
- Actuarial Data
- Underwriting
- Financial Reporting

Risks identified within these key activities, as well as overarching prospective risks that could impact future operations, were assessed to determine their impact on the nine (9) branded risk classifications described in the Handbook: credit, legal, liquidity, market, operational, pricing and underwriting, reputation, reserving, strategy, and other. Corresponding mitigation strategies were evaluated to determine how effectively these risks were controlled.

Examination reports were issued for each U.S. insurer by the respective state in which it is domiciled, excluding captive insurers. At December 31, 2021, the Group's insurers domiciled in the U.S. were as follows:

<u>New Jersey</u>		
The Prudential Insurance Company of America	PICA	NAIC #68241
Pruco Life Insurance Company of New Jersey	PLNJ	NAIC #97195
Prudential Legacy Insurance Company of New Jersey	PLIC	NAIC #13809
<u>Arizona</u>		
Prudential Annuities Life Assurance Corporation (1)	PALAC	NAIC #86630
Pruco Life Insurance Company	PLAZ	NAIC #79227
and the following captive insurers:		
Prudential Arizona Reinsurance Captive Company	PAR CC	NAIC #14299
Prudential Arizona Reinsurance Term Company	PAR Term	NAIC #14300
Prudential Arizona Reinsurance Universal Company	PAR Universal	NAIC #14298
Prudential Term Reinsurance Company	Term RE	NAIC #15456
Prudential Universal Reinsurance Company	PURC	NAIC #15344
Dryden Arizona Reinsurance Term Company	DART	NAIC #14296
Gibraltar Universal Life Reinsurance Company	GUL RE	NAIC #16089
<u>Connecticut</u>		
Prudential Retirement Insurance and Annuity Company (2)	PRIAC	NAIC #93629
<u>Indiana</u>		
Vantage Casualty Insurance Company	VCIC	NAIC #11821

The insurers domiciled in the U.S. as of December 31, 2021 were organized as follows:



(1) Effective April 1, 2022, PFI sold its equity interest in PALAC to the Fortitude Group.
(2) Effective April 1, 2022, PFI sold its equity interest in PRIAC (a direct subsidiary of PICA) to Empower.

Insurance Companies Domiciled in Japan

Given the materiality of the Group's insurers domiciled in Japan, the examination team followed the general guidance of the Handbook in performing this portion of the risk-focused examination. Japan represented approximately 35% of the Group's total earnings during the examination period based on U.S. Generally Accepted Accounting Principles ("GAAP").

The Group's insurers domiciled in Japan and the related insurance holding company are as follows:

- Prudential Holdings of Japan, Inc.
- The Prudential Life Insurance Company, Ltd.
- The Gibraltar Life Insurance Co., Ltd.
- The Prudential Gibraltar Financial Life Insurance Co., Ltd., a GIB subsidiary

The key functional activities identified for the Group's insurers domiciled in the U.S. were also deemed appropriate key functional activities for identification of both financial reporting risks and other than financial reporting risks for the Japanese insurers. To the extent these risks involved interdependence between the U.S. insurers and Japanese affiliates (e.g., related party transactions, reinsurance, capital management), the examination team's testing included consideration of the Japanese affiliates. The examination team additionally identified certain overarching prospective risks specific to the Japanese affiliates, including macroeconomic conditions, strategy execution, and sales practices. Similar in approach to the insurers domiciled in the U.S., the examination team conducted tests of internal controls and detail testing where appropriate based on the risk-focused process as outlined in the seven-phased approach required by the Handbook.

Workpapers prepared by PricewaterhouseCoopers Aarata ("PwC Aarata", located in Tokyo Japan) in connection with the annual audits of the insurers domiciled in Japan, were reviewed and relied upon to the extent deemed appropriate.

Meetings were conducted via teleconference with senior management (including the Chief Executive Officer) of the holding company and insurers domiciled in Japan. The examination team also met with JFSA personnel via teleconference to understand their oversight processes for the Japanese entities, to ascertain key risks identified by the JFSA, and to identify potential areas of reliance on their work where appropriate.

<u>Insurance Companies Domiciled Outside of the U.S. and Japan</u>

The Group's insurers domiciled outside of the U.S. and Japan as of the examination report date were organized as follows (ownership is 100% unless otherwise noted):

<u>Prudential Financial Inc. → Prudential International Insurance Holdings ("PIIH"):</u>		
India	Pramerica Life Insurance Company Limited	49% ownership
Italy[1]	Pramerica Life S.p.A.	
Poland[2]	Pramerica Zycie Towarzystwo Ubezpieczen I reasekuracji S.A.	
Taiwan[3]	Prudential Life Insurance Company of Taiwan, Inc.	
Mexico	Prudential Seguros Mexico S.A. de C.V.	
Argentina	Prudential Seguros S.A.	99.61% ownership
Korea[4]	The Prudential Life Insurance Company of Korea, Ltd.	
Bermuda	Gibraltar Reinsurance Company, Ltd.	
Bermuda	Lotus Reinsurance Company, Ltd.	
<u>Prudential Financial, Inc. → Prudential Insurance Company of America:</u>		
China	Pramerica Fosun Life Insurance Co., Ltd.	50% ownership
Malaysia[5]	Gibraltar BSN Holdings SDN BHD	70% ownership
Argentina	Prudential Seguros S.A.	0.387% ownership
<u>Prudential Financial, Inc. → PIIH → Pruservicos Participacoes Ltda.:</u>		
Brazil[6]	Kyoei do Brasil Companhia de Seguros	88.94% ownership
Brazil[7]	Prudential do Brazil Seguros de Vida EM Groupo S.A.	
Brazil	Prudential do Brazil Seguros de Vida S.A.	99.83 ownership
<u>Prudential Financial, Inc. → PICA → PLAZ:</u>		
Indonesia	PT PFI Mega Life Insurance	49% ownership
<u>Prudential Financial, Inc.:</u>		
Bermuda	Pramerica of Bermuda Life Assurance Company, Ltd.	

[1] PFI sold its ownership interest in 2019

[2] PFI sold its ownership interest in 2018

[3] PFI sold its ownership interest in 2021

[4] PFI sold its ownership interest in 2020

[5] PFI sold its ownership interest in 2023

[6] Merged into Prudential do Brazil Seguros de Vida S.A. in 2019

[7] Formed in 2017

For the insurers domiciled outside of the U.S. and Japan, the examination team utilized a tailored risk-focused approach. Under this approach, the examination team assessed the ownership and corporate governance structure of the entities. The examination team also reviewed the nature of the business, products and financial results of the entities. The examination team then assessed and identified significant risks inherent in the businesses and the prospective risks to which the Group may be exposed, which included potential risks in the countries where the Group does business. The examination team also reviewed, leveraged and relied upon work performed by other regulators of the Group and the Group's external and internal auditors.

The Group's Bermuda-domiciled captive reinsurers were incorporated during this examination period. These entities reinsure on a coinsurance basis primarily USD-denominated life and annuity business issued by certain of the Group's Japan and U.S. insurance companies.

Certain financial reporting risks and other than financial reporting risks identified for the Group's insurers domiciled in the U.S. were also deemed appropriate risks for the Bermuda captive reinsurers. To the extent these risks involved interdependence between the U.S. insurers and Bermuda affiliates (e.g., capital management), the examination team's testing included consideration of the Bermuda affiliates. The examination team additionally identified certain overarching prospective risks specific to the Bermuda affiliates, including transparency with regulators and counterparty credit risk. Similar in approach to the insurers domiciled in the U.S., the examination team conducted tests of internal controls and detail testing where appropriate based on the risk-focused process as outlined in the seven-phased approach required by the Handbook.

The examination team met with BMA personnel via teleconference to understand their oversight processes for the Bermuda captive entities, to ascertain key risks identified by the BMA, and to identify potential areas of reliance on their work where appropriate.

In addition to the entities described above, the following international regulated insurance entities were identified as in scope for the PFI exam, specifically as it relates to the following risks identified for each entity:

- Prudential of Brazil ("POB") (Brazil) - Labor and employment-related risks
- Prudential of Mexico ("POM") (Mexico) - Material control related risks

Non-Insurance Companies of the Group

The Group consists of more than 400 domestic and international legal entities. A majority of the Group's non-insurance companies relate to the asset management business organized under PGIM Holding Company, LLC. PGIM is comprised of seven businesses as shown below:

- PGIM Fixed Income
- Jennison Associates
- PGIM Quantitative Solutions
- PGIM Private Capital
- PGIM Real Estate
- PGIM Investments
- PGIM Portfolio Advisory

For the non-insurance companies of the Group, the examination team utilized a tailored risk-focused approach. Under this approach, the examination team assessed the ownership and corporate governance structure of the entities. The examination team also reviewed the nature of the business, products and financial results of the entities. The examination team requested information necessary to assess enterprise risk, including but not limited to corporate governance, risk management, capital adequacy, and material intercompany transactions. The examination team then assessed and identified significant risks inherent in the businesses and prospective risks to which the Group may be exposed, including potential risks in the countries where the Group conducts business. The examination team reviewed, leveraged, and relied upon work performed by other regulators of the Group and the Group's external and internal auditors.

Certain other than financial reporting risks identified for the Group's insurers domiciled in the U.S. were also deemed appropriate risks for the non-insurance companies. To the extent these risks involved interdependence between the U.S. insurers and non-insurance companies (e.g., related party transactions, PGIM investment management), the examination team's testing included consideration of the non-insurance companies. Similar in approach to the insurers domiciled in the U.S., the examination team conducted tests of internal controls and detail testing where appropriate based on the risk-focused process as outlined in the seven-phased approach required by the Handbook.

In addition to the entities described above, the following non-insurance entity was identified as in scope for the PFI exam, specifically as it relates to the following risk identified:

- Assurance IQ - Sales and marketing practices, acquisition and post-acquisition operations, and model related risks.

DESCRIPTION OF THE GROUP

History and Background

The Group traces its beginning to the incorporation of a stock life corporation under the name of the Widows' and Orphans' Friendly Society, which changed its name to the Prudential Friendly Society on February 18, 1875 and commenced business on October 13, 1875. During 1877, the company changed its name to The Prudential Insurance Company of America, and the New Jersey legislature approved the change. In 1913, the New Jersey Legislature approved a bill authorizing PICA to become a mutual insurance company, and, in 1915, PICA was authorized to acquire all of its stock and effectively began operating as a mutual insurance company from that year forward. The total transfer of ownership to policyholders was completed on September 1, 1942, and PICA became a mutual life insurance company on March 30, 1943, by action of the New Jersey legislature. In 1943, an amended charter was adopted pursuant to the provisions of Subtitle 3 of Title 17B and Chapter 9 of Title 14A of the New Jersey Statutes, in connection with the reorganization of the corporation pursuant to Chapter 17C of Title 17 of the New Jersey Statutes.

On February 10, 1998, PICA's Board authorized, empowered and directed its officers to do whatever they deemed necessary, proper, appropriate, or advisable to seek and assist in the enactment of legislation in New Jersey that would permit it to reorganize into a publicly owned stock corporation through a full demutualization. Accordingly, legislation was enacted in July 1998, to enable demutualization. See N.J.S.A. 17:17C-1 et seq.

In October 2001, the Department approved the Group's Insurance Plan of Reorganization (the "Plan"). On December 18, 2001, PICA converted from a mutual life insurance company owned by its policyholders to a stock life insurance company and became a wholly owned subsidiary of PFI. The demutualization was carried out under the Plan, which required the Group to establish and operate a regulatory mechanism known as the Closed Block. The Closed Block includes certain in force participating insurance and annuity products and corresponding assets that are used for the payment of benefits and policyholders' dividends on these products, as well as certain related assets and liabilities.

From demutualization through December 31, 2014, PFI had two classes of common stock outstanding: (1) the Common Stock, which is publicly traded (NYSE: "PRU") and which reflected the performance of the Group's business operations excluding the Closed Block, and (2) the Class B Stock, which was issued through a private placement, did not trade on any stock exchange, and which reflected the performance of the Closed Block Business. In January 2015, the Group repurchased and cancelled all of the outstanding shares of Class B Stock.

Principal Operations

The Group's principal operations were in process of being reorganized in late 2021 to be effective early 2022, and consisted of the following business segments as of December 31, 2022:

- U.S. Businesses: Consists of the following four business divisions:
  - Retirement Strategies: Comprised of the following sub-divisions:
    - Institutional Retirement: Develops and distributes retirement investment and income products and provides administrative services to group annuity contracts sold to retirement plan sponsors in the public, private and not-for-profit sectors in the U.S., and longevity reinsurance internationally for pension scheme liabilities primarily in the United Kingdom. Product offerings include payout annuities, group annuities, structured settlements, guaranteed investment contracts, institutional notes and investment-only stable value products.
    - Individual Retirement: Develops and distributes individual annuity products, primarily to U.S. customers with a focus on innovative product design and risk management strategies. Product offerings include indexed variable annuities, traditional variable annuities, and fixed annuities.
  - Group Insurance: Develops and distributes a range of group life, long-term and short-term group disability, and group corporate-, bank- and trust-owned life insurance in the U.S., primarily to institutional clients for use in connection with employee and membership benefits plans. Also sells accidental death and dismemberment and other supplemental health solutions and provides plan administration services in connection with its insurance coverages.
  - Individual Life: Develops and distributes life insurance products primarily to U.S. customers with a focus on providing life insurance solutions to protect individuals, families, and businesses, and to support estate and wealth transfer planning. Product offerings include variable life, term life, and universal life.
  - Assurance IQ (acquired by PFI during 2019): Leverages data science and technology to primarily distribute third-party products and a proprietary term life product directly to retail shoppers, primarily through its digital and agent channels. Product offerings include Medicare, life insurance, primary and supplementary health insurance, and property and casualty coverages. Effective in 2023, Assurance IQ will be reported as part of the Corporate and Other business segment.

- Closed Block: In connection with the demutualization in 2001, the Company ceased offering domestic participating individual life insurance and annuity products under which policyholders are eligible to receive dividends reflecting experience. The liabilities for those individual in force participating products were segregated, together with assets to be used exclusively for the payment of benefits and policyholder dividends, expenses, and taxes with respect to these products, in the Closed Block. No policies sold after demutualization have been added to the Closed Block.

- Corporate and Other: Includes corporate operations and initiatives that are not allocated to PFI's other business segments, and certain divested and run-off businesses. The divested and run-off businesses are composed of businesses that have been, or will be, sold or exited, including certain businesses that have been placed in a wind-down status. The divested and run-off businesses include the Group's long-term care and full- service retirement businesses in the U.S.

- PGIM: Provides investment management services and solutions related to public fixed income, public equity, real estate debt and equity, private credit and other alternatives, and multi-asset class strategies, to institutional and retail clients globally, as well as the Group's general account.

- International Businesses: Develops and distributes a range of products with fixed benefits to customers through proprietary and third-party distribution channels in Japan, Brazil, Argentina, Mexico, and through joint ventures in other countries. Product offerings include life insurance, retirement products, annuities, and accident and health insurance.

MANAGEMENT AND CONTROL

Shareholders

On January 31, 2021, there were 1,171,000 registered holders of record for PFI's Common Stock and approximately 397 million shares outstanding. On January 31, 2022, there were 1,134,375 registered holders of record for PFI's Common Stock and approximately 376 million shares outstanding.

Board of Directors

The Group's business is overseen by the Board of Directors, which consisted of 13 members as of the December 31, 2021. The Board reviews the Group's risk profile and management processes for assessing and managing risk, both as a full Board and through its committees. In general, key committees oversee the following risks:

- Risk Committee: Oversees the governance of significant risks throughout the Group and the establishment and ongoing monitoring of risk profile, risk capacity and risk appetite. The Risk Committee also serves to coordinate the risk oversight functions of the other committees of the Board;
- Audit Committee: Oversees insurance risk and operational risks, including model risk, as well as risks related to financial controls, legal, regulatory, cybersecurity, and compliance risk, and the overall risk management governance structure and risk management function;
- Compensation Committee: Oversees the design and operation of the Group's compensation programs so that they do not encourage unnecessary or excessive risk-taking;
- Corporate Governance and Business Ethics Committee: Oversees the Group's ethical culture, political contributions, lobbying expenses and overall political strategy, as well as the Group's environmental risk (including climate risk), sustainability, and corporate social responsibility to minimize reputational risk and focus on future sustainability;
- Finance Committee: Oversees liquidity risk, risk involving capital management, the incurrence and repayment of borrowings, the capital structure of the enterprise, funding of benefit plans, and statutory insurance reserves;
- Investment Committee: Oversees investment risk, market risk, and strength of the overall investment function; and
- Executive Committee: Authorized to exercise the corporate powers of the Group between meetings of the Board, except for those powers reserved to the Board by its by-laws.

As of the examination date, at least annually, the full Board reviews strategic risks and opportunities facing the Group largely from those related to specific businesses. The following is a list of Board members serving the Group as of December 31, 2021:

Director	Occupation
Thomas J. Baltimore Jr.	Chairman, President and Chief Executive Officer ("CEO"), Park Hotels & Resorts
Gilbert F. Casellas	Former Chairman, OMNITRU
Wendy E. Jones	Former SVP, Global Operations, eBay, Inc.
Karl J. Krapek	Former President and COO, United Technologies Corporation
Martina Hund-Mejean	Former Chief Financial Officer ("CFO"), Mastercard Worldwide
Peter R. Lighte	Former Vice Chairman, JP Morgan Corporate Bank, China
George Paz	Non-Executive Chairman and Former CEO, Express Scripts Holding Company
Sandra Pianalto	Former President and CEO, Federal Reserve Bank of Cleveland
Christine A. Poon	Former Dean and Executive in Residence, The Max M. Fisher College of Business
Douglas A. Scovanner	Founder and Managing Member, Comprehensive Financial Strategies, LLC
Michael A. Todman	Former Vice Chairman, Whirlpool Corporation
Charles F. Lowrey	Chairman and CEO, Prudential Financial, Inc.
Robert M. Falzon	Vice Chairman, Prudential Financial, Inc.

Note:
In October 2022, Mr. Paz passed away unexpectedly, vacating Mr. Paz's position on the Board.

On January 30, 2023, PFI's by-laws were amended to change the number of directors who can serve on the Board to be no less than 9 (previously 10) nor more than 14 (previously 24), as determined by the holders of the majority of the issued and outstanding capital stock, or the Board.

On February 14, 2023, Thomas J. Baltimore notified the Board of his resignation effective March 14, 2023.

Effective May 9, 2023, the date of the annual meeting of Shareholders, Messrs. Krapek and Lighte reached the age of 74, which makes them ineligible for another term. The Board is actively recruiting new members and no decision has been made on the timing or number of additional Board members.

The Board, by majority vote, may establish from among its members a resolution to form a committee to oversee certain functions and affairs of the Group. In accordance with its by-laws, the Group shall establish one or more committees comprised solely of outside directors to perform the following functions:

- Recommending the selection of independent certified public accountants;
- Reviewing the Group's financial condition and the scope and results of independent and internal audits;
- Nominating candidates for director for election by shareholders;
- Evaluating the performance of officers deemed to be principal officers of the Group; and
- Recommending to the Board the selection and compensation including bonuses or other special payment of the principal officers.

These functions are encompassed by the Audit, Compensation, Corporate Governance and Business Ethics, and Risk Committees of the Board which are comprised of the following outside members as of December 31, 2021, in compliance with N.J.S.A. 17:27A-4(d)(4):

Audit Committee	**Compensation Committee**
Martina Hund-Mejean (Chair)	Michael A. Todman (Chair)
Gilbert F. Casellas	Karl J. Krapek
Douglas A. Scovanner	Thomas J. Baltimore
Wendy E. Jones	
George Paz	
Corporate Governance and Business Ethics	**Risk Committee**
Gilbert F. Casellas (Chair)	Douglas A. Scovanner (Chair)
Peter R. Lighte	Thomas J. Baltimore Jr.
Sandra Pianalto	Christine A. Poon
	Martina Hund-Mejean
	Gilbert F. Casellas
	Michael A. Todman

Note:
Mr. Casellas rotated off the Audit Committee in June 2021 and was not replaced

Wendy E. Jones replaced Thomas J. Baltimore on the Compensation Committee upon Mr. Baltimore's resignation. Mr. Baltimore's position on the Risk Committee was not replaced.

The Group's Conflicts of Interest policy applies to all of the Group's directors, officers and employees and requires disclosure of any outside activities or affiliations that may present, or appear to present, a potential or actual conflict of interest. Annual conflict of interest statements are completed by directors, officers and key employees to note any potential conflicts of interest. The Corporate Governance and Business Ethics Committee reviews the conflict of interest statements and reports any issues to the Board.

Group Management

PFI is the ultimate controlling party of the insurance company holding system as defined in N.J.S.A. 17:27A-1 et seq. Accordingly, the Group has filed with the New Jersey Department an insurance holding company registration as required under N.J.S.A. 17:27A-3.

The Group employs a corporate governance and internal control structure that is generally consistent across all companies within the Group, both in the U.S. and internationally. Requirements within certain jurisdictions, such as Japan, may necessitate greater independence of management, including internal audit and internal control functions that report to local company presidents, who in turn report to the boards of directors of the local companies.

The Group's Internal Audit function is overseen by a Senior Vice President and Chief Auditor who reports directly to the Audit Committee of the PFI Board. While the Chief Auditor also reports administratively to the Vice Chairman, Internal Audit's activities and findings are reported directly to the Audit Committee.

Enterprise Risk Management ("ERM")

The Board approves standards for managing risk and monitoring the management of those risks within the Group. A separate Risk Committee of the PFI Board oversees the Group's risk profile. The Risk Committee is comprised of the chairs of each of the other PFI Board committees and is chaired by the lead independent director. The Risk Committee's focus is on the governance of significant risks throughout the Group, the Group's overall risk profile, and coordination of risk oversight functions of the other Board committees. Additional activities include reviewing the metrics used by management to quantify risk, applicable risk limit structures, and risk mitigation strategies. Specific risk type limits are frequently set in other Board Committees and shared with the Risk Committee of the Board.

The Group's ERM integrates the management of risks through Risk Oversight Committees ("ROCs") which assess and help manage market, investment, insurance, operational, model, and liquidity risks escalating up through management's Enterprise Risk Committee ("ERC") and the relevant committees of the Board. A Risk Appetite Framework ("RAF") has been established by the Group, as approved by the Risk Committee of the Board, which is designed to reasonably ensure that risks taken across the Group align with the Group's capacity and willingness to assume those risks. ERM is led by a Chief Risk Officer ("CRO"), who is responsible for overseeing PFI's risk management infrastructure and risk profile across all business lines and risk types. The CRO is supported by a team of risk officers, both at the enterprise and business unit level, who lead the ERM organization. The Group has also developed a comprehensive stress testing framework, which is foundational to the RAF.

The Group made various changes and enhancements to its ERM processes during the examination period. Notable ERM items included, but are not limited to the following:

- The annual ORSA report was filed each year during the examination period.
- Enhancements were made in monitoring of and reporting on operational risks across the organization, including reporting to senior management and the Board as warranted.
- Enhancements were made in monitoring of trending risks to assist in related resource planning and reporting processes.
- Enhancements were made to Asset and Liability Management ("ALM") modeling to better evaluate the impact of changes in ALM assumptions.
- Enhancements were made in monitoring of compliance risks to better identify and respond to emerging compliance risks across the organization.
- The RAF was enhanced to include a liquidity stress testing framework in addition to incorporating stressed liquidity reporting requirements initiated by the NAIC and state regulators.
- Enhancements were made in monitoring of and reporting on strategic transformation efforts, including enhanced reporting on supporting risk mitigation plans.
- Enhancements were made to ERM processes to better incorporate consideration of Environmental, Social and Governance ("ESG") risks.

<u>Transactions with Affiliates</u>

Transactions between companies within the same holding company structure are often referred to as intra-group transactions ("IGTs"). While some IGTs are intended to transfer risk from one entity to another (e.g., reinsurance agreements), most IGTs are utilized as a means to provide efficiencies within a group. The Department addresses risks arising from IGTs through: 1) authority over transactions with U.S. domestic insurer affiliates (adopting the NAIC's Insurance Holding Company System Regulatory Act (Model 440)); 2) accounting and valuation requirements (by requiring companies to follow the NAIC Accounting Practices and Procedures Manual); and 3) through Group-wide Supervisory activities.

PFI and its subsidiaries within the Group routinely enter into inter-affiliate agreements in the normal course of business. The examination team reviewed the Group's Inter-Affiliate Agreement Policy ("IAA Policy") and related database and reviewed a selection of individual agreements, which reflects a high level of interconnectedness within the Group.

PFI's IAA Policy assists management in: (1) governing relationships and arrangements entered into, between or among affiliates; (2) by prescribing approval, reporting and record-keeping requirements; and (3) establishing roles and responsibilities. Primary categories of agreements include guarantee and support agreements, loan agreements, reinsurance agreements, investment management agreements, and administrative service agreements.

Included in the inter-affiliated agreements is a Consolidated Federal Income Tax Allocation Agreement between PFI and its U.S. affiliates. The Group files a consolidated federal income tax return. The consolidated tax liability is allocated to individual companies in the ratio that the company's separate return tax liability bears to the consolidated return liabilities. A complementary method is used, which results in reimbursement by profitable affiliates to loss affiliates for tax benefits generated by loss affiliates.

Per the IAA Policy, all inter-affiliate agreements must be in writing, and no employee may provide an oral agreement to support a legal entity's obligations. In addition, all inter-affiliate agreements require a multi-disciplinary departmental review and approval by Law, Controllers, Tax, and Treasurers. This review and approval is evidenced through an approval workflow in the Inter-Affiliate Agreement Database ("IAA Database"), which serves as the central repository for inter-affiliate agreements.

REINSURANCE

The Group utilizes reinsurance on both an assumed and ceding basis to acquire business, and to manage its risk exposures and risk capacity. Key objectives described by management include reducing balance sheet risk and volatility, providing additional capacity for growth, and minimizing the net loss potential from larger risks. Reinsurance is also used by the Group to manage to more favorable economic capital and economic reserving standards through the use of affiliate captives domiciled in Arizona and Bermuda. This strategy in particular also allows the Group to achieve more favorable pricing of new and existing products by minimizing the amount of capital held against those risks. The Group also cedes business through a diversified selection of well-capitalized third-party reinsurers with large reinsurance recoverable balances secured with various forms of collateral, including secured trusts, funds withheld, and irrevocable letters of credit.

A summary of significant examination-period reinsurance activity by business division is as follows:

<u>Institutional Retirement</u>
Since 2014, the Group has entered into several reinsurance agreements to assume a portion of the pension liabilities of named beneficiaries for pension plans in the United Kingdom. Under these arrangements, the Group provides for guaranteed future benefits in exchange for one-time, up front premium. The Group also has several reinsurance agreements for assuming longevity risks on pension plans in the United Kingdom insured by third parties for which fees are earned for the risks (longevity and/or investment) assumed.

Effective December 31, 2021, pursuant to the sale of then subsidiary PRIAC's full-service retirement business to Empower that occurred April 1, 2022, PICA assumed via contract novation all of PRIAC's longevity reinsurance transactions from underlying pension plan liabilities previously reinsured by PRIAC. Subsequent to the December 31, 2021 PICA-PRIAC transaction, all of the Group's pension risk transfer business has been undertaken through PICA, which assumes both longevity and asset risks supporting United Kingdom pension liabilities.

Effective April 1, 2022, in connection with the sale of the full-service retirement business, PICA entered into reinsurance agreements with Great-West Life & Annuity Insurance Company and Great-West Life & Annuity Insurance Company of New York (subsidiaries of Empower) whereby PICA ceded certain insurance contracts related to the sale. The reinsurance contract requires Great-West to pursue novation of all reinsured policies from PICA to Great-West by April 1, 2025.

Group Insurance

Prudential's Group Insurance business is primarily conducted through PICA where a majority of non-experienced rated group life insurance business is ceded to third parties on a yearly renewable term ("YRT") basis. The total in force amount of group life insurance ceded by PICA as of December 31, 2021 was approximately $1.1 trillion. Effective January 1, 2021, PICA began ceding 90% of the group insurance business to Canada Life Assurance Company and Hannover Life Reassurance Company (45% quota share each), with PICA retaining 10% of the risks.

Individual Annuities

The Group did not enter into any significant individual annuity assumed reinsurance treaties with third parties during the examination period.

Effective April 1, 2022, PICA sold its equity interest in subsidiary PALAC to the Fortitude Group. The PALAC business primarily consisted of non-New York traditional variable annuities with guaranteed living benefits that were issued prior to 2011, which constituted approximately $31 billion, or 18% of the Group's total in force individual annuity account values as of December 31, 2021. During 2021, ahead of that sale, PALAC recaptured substantially all of its third-party reinsurance treaties across its individual annuities book of business. Through a December 1, 2021 assumption reinsurance agreement with PLAZ, the Group retained its interest in all index-linked variable annuity products, all fixed indexed annuities, and fixed annuities with guaranteed lifetime withdrawal benefit riders remaining in PALAC, along with external reinsurance related to these products.

Concurrent with the December 1, 2021 assumption reinsurance agreement, PLAZ retroceded to Somerset Reinsurance Ltd. ("SomersetRe") all contracts that had been previously reinsured from PALAC to SomersetRe related to fixed indexed annuities, on a coinsurance/funds withheld basis. Quota share percentages on the retroceded contracts are the same quota share percentages that PALAC originally agreed to with SomersetRe. PLAZ also cedes direct new business on similar products to SomersetRe.

Effective December 1, 2021, PLAZ entered into a coinsurance/funds withheld agreement with Hannover Life Re to cede/retrocede the portion of fixed annuities (direct and assumed) with Guaranteed Lifetime Withdrawal Benefit ("GLWB") riders.

Individual Life

The Group utilizes captive reinsurance subsidiaries domiciled in Arizona to finance a portion of the statutory reserves required to be held by the Group's domestic life insurance companies under Regulation XXX and AXXX (AG38 and AG48, respectively) that are considered to be non-economic. Business ceded to each of the Arizona captives from the domestic life insurance companies is specific to certain term life or UL policies, and certain policy effective dates depending on the ceding company. Although the reserves are ceded to the captives, the majority of the mortality risk was retroceded to PICA through YRT reinsurance until January 1, 2020. After retaining a portion of the mortality risk, PICA subsequently retroceded the remainder of the mortality risk to third-party reinsurers.

The Group first adopted PBR for new business in 2017 for certain permanent products and continued migrating products to PBR with conclusion of all new business in 2019. With the adoption of PBR, the Group ceased using captive reinsurance subsidiaries for new individual life business. Instead, effective January 1, 2020, the Group began aggregating the individual life mortality risk internally within PLAZ (instead of PICA).

PLAZ generally retains 100% of the first $250 thousand for UL products, 70% of the first $250 thousand for term products, and 10% of the exposures in excess of retention. The remainder is ceded/retroceded to pools of external reinsurers. A notable change in the structure of the YRT pools took place in 2021 for permanent product new business, where the basis was changed from non-guaranteed YRT rates to fully guaranteed YRT rates effective January 1, 2021 (this change was prompted by the PBR requirements). This new structure applies to business ceded from PLNJ to PLAZ as well as PLAZ to third parties.

PICA additionally reinsures certain USD-denominated individual life business from Japanese affiliates POJ and GIB on a coinsurance basis for the purpose of investment efficiency. As of December 31, 2021, PICA had assumed (YRT and coinsurance) approximately $144 billion of in force individual life business from POJ and GIB with approximately $30.6 billion in associated reserves. Effective during 2021, PICA no longer assumes new business under YRT cessions from affiliate Prudential of Mexico, and PICA terminated YRT retrocessions to Prudential of Taiwan ("POT") concurrent with PFI's June 30, 2021 sale of POT.

In September 2021, affiliate Lotus Re was registered in Bermuda to reinsure the individual VUL business from both PICA and PLAZ. There was an initial immaterial transaction of approximately $25 million of VUL reserves from PLAZ ceded to Lotus Re during the 4th quarter of 2021. Effective January 1, 2022, PICA and PLAZ collectively reinsured to Lotus Re approximately $4 billion in general account reserves on a coinsurance basis, and approximately $26 billion in separate account reserves on a modified coinsurance basis.

<u>Closed Block</u>
Effective January 1, 2015, PICA entered into a reinsurance agreement with subsidiary PLIC to cede substantially all of the liabilities associated with PICA's Closed Block of business on a 100% coinsurance basis. Policies within the Closed Block are specified individual life insurance policies and individual annuity contracts that were in force on the effective date and for which PICA is currently paying or expects to pay experience-based policy dividends. Contracts excluded from the 100% coinsurance agreement are a portion of the Closed Block's New York policies and certain policies which were already reinsured to third parties. The assets backing this business are held in a guaranteed separate account of PLIC.

<u>International Businesses</u>
As discussed above at the Individual Life reinsurance discussion, the Group primarily relies on affiliate entities to reinsure on a coinsurance basis USD-denominated life and annuity business issued by certain international affiliates. In addition to the individual life business ceded to PICA from POJ and GIB, the Japanese affiliate insurance companies and Arizona-domiciled captives cede certain business to the Bermuda-domiciled captives Gibraltar Re and Lotus Re.

Gibraltar Re reinsures mortality and morbidity risk associated with a portion of in force and newly issued contracts for certain products associated with Yen- and USD-denominated products on a coinsurance basis from the Japanese affiliate insurance companies.

FINANCIAL STATEMENTS

The Group's financial condition as of December 31, 2021, and the results of its operations during the twelve months then ended, were reported by the Group in the following financial statements based on U.S. GAAP. The examination team relied on the audit performed by PwC and does not attest to the fair presentation of the Group's U.S. GAAP financial statements included herein.

Examination reports have been submitted to the respective authorities for each of the Group's insurers domiciled in the U.S., and those financial statements were reviewed based on U.S. Statutory Accounting Principles.

Prudential Financial, Inc.
Consolidated Statement of Financial Position
As of December 31, 2021

ASSETS	**Balance Per Company**
(Amounts in Millions)	
Fixed Maturities, Available-For-Sale, at Fair Value	$ 372,410
Fixed Maturities, Held-To-Maturity, At Amortized Cost	1,514
Fixed Maturities, Trading, at Fair Value	8,823
Equity Securities, at Fair Value	8,574
Commercial Mortgage and Other Loans, at Fair Value	58,666
Policy Loans	10,386
Assets Supporting Experience-Rated Policyholder Liabilities	3,358
Other Invested Assets	21,833
Short-Term Investments	6,635
Cash and Cash Equivalents	12,888
Subtotal Cash and Invested Assets	$ 505,087
Accrued Investment Income	$ 2,855
Deferred Policy Acquisition Costs	18,192
Value Of Business Acquired	771
Assets Held-For-Sale	153,793
Other Assets	10,739
Separate Account Assets	246,145
Total Assets	**$ 937,582**

Prudential Financial, Inc.
Consolidated Statement of Financial Position
As of December 31, 2021

LIABILITIES	**Balance Per Company**	Note
(Amounts in Millions)		
Future Policy Benefits	$ 290,784	1
Policyholders' Account Balances	122,633	
Policyholders' Dividends	8,731	
Securities Sold Under Agreements to Repurchase	10,185	
Cash Collateral for Loaned Securities	4,251	
Income Taxes	9,513	
Short-Term Debt	722	
Long-Term Debt	18,622	
Liabilities Held-for-Sale	151,359	
Other Liabilities	11,755	
Notes Issued by Consolidated Variable Interest Entities	274	
Separate Account Liabilities	246,145	
Total Liabilities	**$ 874,974**	
EQUITY		
Common Stock	$ 6	
Additional Paid-in Capital	25,732	
Common Stock Held in Treasury, At Cost	(21,838)	
Accumulated Other Comprehensive Income	21,324	
Retained Earnings	36,652	
Total Prudential Financial, Inc. Equity	$ 61,876	
Noncontrolling Interests	$ 732	
Total Equity	**$ 62,608**	
Total Liabilities and Equity	**$ 937,582**	

Prudential Financial, Inc.
Consolidated Statement of Operations
As of December 31, 2021
(Amounts in Millions)

REVENUES	Balance Per Company	Note
(Amounts in Millions)		
Premiums	$ 34,827	
Policy Charges and Fee Income	5,944	
Net Investment Income	18,287	
Asset Management and Service Fees	4,901	
Other Income	2,951	
Realized Investment Gains, Net	4,024	
Total Revenues	$ 70,934	
BENEFITS AND EXPENSES		
Policyholders' Benefits	$ 38,458	
Interest Credited to Policyholders' Account Balances	3,482	
Dividends to Policyholders	2,874	
Amortization of Deferred Policy Acquisition Costs	2,097	
Goodwill Impairment	1,060	2
General and Administrative Expenses	13,582	
Total Benefits and Expenses	$ 61,553	
INCOME BEFORE INCOME TAXES AND EQUITY IN EARNINGS OF OPERATING JOINT VENTURES	$ 9,381	
Total Income Tax Expense	1,674	
INCOME BEFORE EQUITY IN EARNINGS OF OPERATING JOINT VENTURES	$ 7,707	
Equity in Earnings of Operating Joint Ventures, Net of Taxes	87	
NET INCOME	$ 7,794	
Less: Income Attributable to Noncontrolling Interests	70	
NET INCOME ATTRIBUTABLE TO PRUDENTIAL FINANCIAL, INC.	$ 7,724	

NOTES TO FINANCIAL STATEMENTS

Note 1 – Actuarial Review

In conjunction with the coordinated full-scope examination of the Group, the Department utilized the services of RRC to perform an actuarial examination based on statutory requirements and to provide a report for the insurers domiciled in the U.S. The risk-focused examination procedures included evaluation of actuarial controls, procedures and processes. Data for the valuation of company liabilities was reviewed, and an evaluation was conducted to ensure all relevant data was included in the review. Significant ceded reinsurance agreements were also evaluated to ensure the agreement terms supported a transfer of risk to the assuming reinsurers. Based on these reviews, actuarial accounts based on statutory requirements were deemed to be adequately stated as of December 31, 2021, and reinsurance agreements adequately transferred risk.

Note 2 – Goodwill Impairment

The Group's estimated fair value of Assurance IQ as of December 31, 2021 was based on weighting the results of market valuation and discounted cash flow valuation techniques. Based on the goodwill impairment test performed as of December 31, 2021, the Group recognized a non-cash goodwill impairment pre-tax charge of $1,060 million ($837 million after-tax) for Assurance IQ driven by a decline in peer valuations combined with a reduction in forecasted cash flows.

Based on the goodwill impairment test performed as of December 31, 2022, the Group recognized an additional non-cash goodwill impairment pre-tax charge of $903 million ($713 million after-tax) for Assurance IQ driven by a reduction in forecasted cash flows, higher discount rate assumptions, and decline in peer valuations.

LITIGATION AND REGULATORY MATTERS

The Group is routinely involved in claims, lawsuits, regulatory audits, investigations and other legal matters arising, for the most part, in the ordinary course of its businesses. The Group believes that the legal actions, regulatory matters, proceedings and investigations currently pending against it should not have a material adverse effect on the results of operations, financial condition or liquidity based on management's current knowledge and taking into consideration current accruals. Significant litigation and regulatory matters disclosed in the Group's 10-K filing as of December 31, 2022 include the following:

Labor and Employment Matters

POB sells insurance products to consumers through life planner franchisees ("Life Planners"), who are engaged as independent life insurance brokers and not as employees. When a Life Planner's contractual relationship with POB is terminated, in many cases the Life Planner commences a labor suit against POB alleging entitlement to employment-related benefits. POB is a defendant in numerous such lawsuits in Brazil brought by former Life Planners and has been subject to regulatory actions challenging the validity of POB's franchise model. POB has continued to receive additional labor suits and regulatory actions involving the operation of its franchise model notwithstanding steps that POB has taken to attempt to mitigate the labor risk by modifying its franchise model. POB continues to modify its franchise model to further mitigate this risk.

Individual Annuities, Individual Life and Group Insurance

Moreland, Socorro v. The Prudential Insurance Company of America, et al.

In June 2020, a putative class action complaint entitled Socorro Moreland v. The Prudential Insurance Company of America; Pruco Life Insurance Company (collectively "PICA"), was filed in the U.S. District Court for the Northern District of California, alleging PICA failed to comply with California laws requiring that life insurance policies issued and delivered in California: (i) provide for a 60-day grace period pre-lapse during which a policy must stay in force; (ii) provide a 30-day written notice of pending lapse; and (iii) notify policy owners of their right to designate additional recipients for lapse notices. In August 2020, an answer was filed to the complainant and a motion to stay the action pending the California Supreme Court's decision, in the McHugh v. Protective Life Insurance, on the questions of whether the California lapse statutes apply to polices that were in force when the statutes went into effect on January 1, 2013, or solely to polices issued after that date. The Moreland court granted the motion to stay in October 2020. In August 2021, the California Supreme Court in McHugh determined the California lapse statutes applies to policies that were in force as of January 1, 2013. In October 2021, the Moreland court lifted the stay order. In December 2022, the plaintiff filed a motion for class certification.

Escheatment Litigation

Total Asset Recovery Services, LLC v. MetLife, Inc., et al., Prudential Financial, Inc., The Prudential Insurance Company of America, and Prudential Insurance Agency, LLC

In December 2017, Total Asset Recovery Services, LLC, on behalf of the State of New York, filed a Second Amended Complaint in the Supreme Court of the State of New York, County of New York, against, among other 19 defendants, Prudential Financial, Inc., The Prudential Insurance Company of America and Prudential Insurance Agency, LLC (collectively, "the Group"), alleging the Group failed to escheat life insurance proceeds in violation of the New York False Claims Act. In May 2018, a motion was filed to dismiss the second amended complaint, and the motion was granted in April 2019. Subsequently, a Notice of Appeal was filed and in December 2020, the New York Supreme Court, First Department, reversed and vacated the judgment of the trial court and granted leave to file a third amended complaint. In March 2021, the plaintiff filed a third amended complaint asserting claims against all defendants for violation of the New York False Claims Act, and seeking injunctive relief, compensatory and treble damages, and attorneys' fees and costs. In January 2023, the plaintiff filed a fourth amended complaint.

Assurance IQ, LLC

William James Griffin, et al. v. Benefytt Technologies, Inc., et al. and Assurance IQ, LLC

In February 2021, an amended putative class action complaint entitled William James Griffin, et al. v. Benefytt Technologies, Inc. (f/k/a Health Insurance Innovations, Inc.), Health Plan Intermediaries Holdings, Inc. and Assurance IQ, LLC, was filed in the United States District Court for the Southern District of Florida, alleging that the defendants violated the Racketeering Influenced and Corrupt Organizations Act, and engaged in a conspiracy to defraud customers through the sale of limited indemnity and short-term health insurance products to individuals seeking comprehensive medical insurance. The complaint seeks unspecified treble damages, declaratory and injunctive relief. In June 2021, the Group filed a motion to dismiss the amended complaint. In March 2022, the court issued an order granting Assurance IQ, LLC's motion to dismiss the claims for declaratory and injunctive relief and denying the motion to dismiss as to the remaining claims. In May 2022, plaintiffs filed a second amended complaint narrowing the scope of the putative plaintiff class, and the Company filed its answer. In January 2023, plaintiffs filed a motion for class certification, and in February 2023, plaintiffs filed a third amended complaint.

Regulatory Matters

Variable Products

The Group has received regulatory inquiries and requests for information from state and federal regulators, including subpoenas from the SEC, concerning the appropriateness of variable product sales and replacement activity. The Group is cooperating with regulators and may be subject to additional regulatory inquiries and other actions related to this matter.

Assurance IQ
The Group has received regulatory inquiries and requests for information from state and federal regulators, including a civil investigative demand from the Federal Trade Commission (FTC), concerning the appropriateness of Assurance IQ's short-term medical insurance sales and marketing activities. The Group is cooperating with regulators and may be subject to additional regulatory inquiries and other actions related to this matter.

Institutional Conflict of Interests
During 2016, PFI self-disclosed a Conflict of Interest related to two of its investment advisory firms to the SEC, Department of Labor ("DOL), and the NJDOBI. In September 2019, the SEC charged the two investment advisor subsidiaries with failing to disclose conflicts of interest and making misleading disclosures to the board of directors for 94 funds they advised. The SEC's order acknowledges that AST Investment Services Inc. ("AST") and PGIM Investments LLC ("PI") self-reported the conduct to the SEC after initially failing to disclose it during an examination, cooperated with the SEC staff's investigation, and voluntarily reimbursed the funds over $155 million. The order also censures AST and PI, and requires them to disgorge an additional $27.6 million, pay a civil monetary penalty of $5 million, and cease and desist from committing any further violations. AST and PI did not admit to or deny the SEC's findings.

SUBSEQUENT EVENTS

Share Repurchases
In February 2023, PFI's Board authorized the Company to repurchase, at management's discretion, up to $1.0 billion of its outstanding Common Stock during the period from January 1, 2023 through December 31, 2023.

Global Pandemic
The Company continues to monitor the impact of the COVID-19 global pandemic due to uncertainty regarding the long-term impact to the U.S. and global insurance industry. Subsequent developments with COVID-19 could have a significant financial impact on insurers, including the Company. As such, the Company will continue to monitor and share information with NJDOBI as appropriate related to COVID-19 developments.

Impact of Changes in the Interest Rate Environment
The U.S. Federal Reserve ("Fed") increased rates by 25 basis points and set the federal funds target rate range between 4.75% and 5.0% following the second Federal Open Market Committee ("FOMC") meeting of 2023 on March 21 and March 22. Prior to the March increase, the Fed increased the rate by 25 basis points in February 2023 and 50 basis points in December 2022. This followed four consecutive increases of 75 basis points during June through November 2022, and increases of 50 basis points in May 2022 and 25 basis points in March 2022.

As a global financial services company, market interest rates are a key driver of liquidity and capital position, cash flows, results of operations and financial position of the Company. Changes in interest rates can affect the Company in several ways, including, but not limited to, favorable or adverse impacts to investment-related activity, including: investment income returns, the valuation of fixed income investments and derivative instruments, collateral posting requirements, hedging costs and other risk mitigation activities, customer account values and assets under management. Insurance reserve levels, policyholder behavior, including surrender or withdrawal activity, may also be affected. NJDOBI is in regular communication with Management and is closely monitoring the impact of changes in interest rates. Additionally, in light of the significant impact of rising interest rates on derivative instruments, NJDOBI as GWS will perform an interim review of the Group's Hedge Effective accounting practices.

Inflation Reduction Act
In August 2022, U.S. President Biden signed into law the Inflation Reduction Act of 2022 (the "Inflation Reduction Act"). Among other provisions, the Inflation Reduction Act imposes (i) a 15% alternative minimum tax on corporations ("CAMT") with average applicable financial statement income over $1 billion for any three-year period ending with 2022 or later; and (ii) a 1% excise tax on the fair market value of stock that is repurchased by publicly traded U.S. corporations or their specified affiliates. Both provisions are effective in taxable years beginning after December 31, 2022. The impact of the alternative minimum tax, if any, will vary from year to year based on the relationship of GAAP income to taxable income. Additionally, there remain several open items with respect to application of the CAMT, including how to apply the provision to insurance company separate accounts and certain forms of reinsurance, which will inform how and to what degree this tax impacts the Group.

Significant Affiliate Reinsurance Transactions
Effective January 1, 2022, PICA and PLAZ collectively reinsured to Lotus Re approximately $4 billion in general account reserves on a coinsurance basis, and approximately $26 billion in separate account reserves on a modified coinsurance basis. Also, during 2022, Lotus Re was repositioned to being a wholly owned subsidiary of PIIH.

Divestures
As part of the Group's multi-year business strategy, which includes moving toward a higher growth and less market sensitive business, the Group completed the $3.5 billion sale of its full-service retirement business to Empower on April 1, 2022, including the sale of subsidiary PRIAC. Following the sale, Empower owns what was the Group's defined contribution, defined benefit, nonqualified, and rollover Individual Retirement Account business, in addition to its stable value and separate account investment products and platforms.

In addition, as part of the Group's execution of its multi-year business strategy, the Group completed the sale of a portion of its legacy traditional variable annuity block to the Fortitude Group on April 1, 2022. The Fortitude Group acquired PALAC and approximately $31 billion of in force variable annuity account values, primarily consisting of non-New York traditional variable annuities with guaranteed living benefits that were issued prior to 2011.

Significant Reinsurance Transaction
In May 2023, PLAZ announced an agreement to reinsure a portion of its traditional variable annuity block with an affiliate of Constellation Insurance Holdings, Inc. Under terms of the agreement, Constellation's affiliate will reinsure approximately $10 billion of Prudential Defined Income (PDI) traditional variable annuity contracts with guaranteed living benefits issued by PLAZ. This represents approximately 10% of Prudential's remaining legacy in-force traditional variable annuity block by account value.

VM-21 Statutory Reserve Error
During the first quarter of 2023, an error was identified in the December 31, 2022 VM-21 statutory reserves of PICA and its subsidiary PLAZ. This error resulted in an overstatement of PICA's reserves by $55 million, and PLAZ's reserves by $420 million, the latter of which resulted in an understatement of PICA's invested assets. The associated corrections were made in the first quarter 2023 statutory financial statements of both insurers.

Significant Reporting Changes
Effective in 2023, Assurance IQ will be reported as part of the Corporate and Other business segment. Prior to 2023, and since acquisition in 2019, Assurance IQ has been reported as a separate division within the U.S. Businesses segment.

Change in Board Governance
On May 9, 2023, the Risk Committee was disbanded. According to the Company, risk issues will continue to be discussed in the relevant Committees and then discussed as needed when the full Board meets.

Significant Leadership Changes
During October 2022, the Group's Chief Risk Officer retired and was succeeded by the Group's Chief Auditor, resulting in an internal promotion to fill the vacant Chief Auditor role. No changes were made in the previously disclosed reporting lines.

During January 2023, the Group's head of International Businesses moved to a newly created position and was succeeded by the head of U.S. Businesses. The resulting vacancy for the head of U.S. Businesses was filled by an internal promotion. Additionally, during January 2023, the CEO of the Group's Japanese insurance operations retired and was succeeded by the President and CEO of POJ.

EXAMINATION FINDINGS

The examination warranted no reportable findings or statutory violations. Other observations and recommendations have been communicated to the Board and Management that relate to corporate governance, general controls, and procedures and processes, as well as specific items identified during the examination. As GWS, the Department will continue its ongoing monitoring of the Group, supervisory colleges, limited scope examination procedures as deemed appropriate, and frequent interaction with Management.

ACKNOWLEDGEMENT

The full cooperation extended by Management during this examination is hereby acknowledged. The undersigned hereby certifies that an examination has been made of the Prudential Financial, Inc. Group, and the foregoing report is true to the best of my knowledge and belief.

Respectfully submitted,

Darin Benck

Darin Benck, CFE
Examiner-in-Charge
Risk & Regulatory Consulting, LLC
Representing the New Jersey Department of Banking and Insurance

Under the Supervision of,

Nancy Lee Chice

Nancy Lee Chice, CFE
CFE Reviewer – Supervising Examiner
New Jersey Department of Banking and Insurance

AFFIDAVIT

The undersigned hereby certifies that an examination has been made of Prudential Financial, Inc. and the foregoing report is true to the best of my knowledge and belief. The examination was performed in accordance with New Jersey law and in general accordance of the NAIC Financial Condition Examiners Handbook.

Respectfully submitted,

Darin Benck

Darin Benck, CFE
Examiner-in-Charge
Risk & Regulatory Consulting, LLC
Representing the New Jersey Department of Banking and Insurance

Under the Supervision of,

Nancy Lee Chice

Nancy Lee Chice, CFE
CFE Reviewer – Supervising Examiner
New Jersey Department of Banking and Insurance

State of New Jersey
County of Mercer

Subscribed and sworn to before me, on this 26th day of June, 2023.

Sheila M. Thaca

Notary Public of New Jersey

My commission expires: July 2025