

## Group Third Party Supply and Outsourcing Policy

Prudential plc and its Business Units (“BUs”) use Third Party Supply and Outsourcing providers to allow it to focus on its core business strengths, reduce costs and manage delivery risks. Notwithstanding these benefits the use of such third parties (whether Intra-Group or external) can also impact the risk profile of an organisation.

As a Hong Kong Insurance Authority (“HKIA”) designated insurance holding company, Prudential is required to comply with the requirements of the Groupwide Supervisory (“GWS”) regime which includes a module focused solely on Outsourcing (Module I). This policy supports BUs in assessing whether the goods or services provided by a service provider are classified as Outsourcing in line with the HKIA’s regulatory requirements, and whether these arrangements are Material or Non-Material to the Group.

The purpose of this Policy is to:

- Provide a **consistent Group-wide definition** of Third Party Supply, Outsourcing, and Intra-Group and provide clarification on what may be considered “Material”;
- Summarise the **Group’s due diligence and selection criteria** for Third Party Supply and Outsourcing arrangements;
- Define **the minimum contractual requirements** for Third Party Supply, Outsourcing and Intra-Group arrangements;
- Describe the **management and monitoring** requirements for **Material and Non Material** Third Party Supply and Outsourcing arrangements, including the required governance structures, associated roles and responsibilities and Supervisory Authority notification requirements;
- Define **reporting and escalation** principles at BU and Group level for **Outsourcing and Material** Third Party Supply arrangements; and
- Define the **additional requirements** where an arrangement is classified as **Group Material Outsourcing**, including the notification requirements to the Supervisory Authority.
- Explain the requirements for the maintenance and submission of the **Group Material Outsourcing Contracts Register (“GMOCR”)** to the Supervisory Authority.