



**2021 PRUDENTIAL
ENVIRONMENTAL, SOCIAL AND
GOVERNANCE SUMMARY REPORT**

Prudential Financial, Inc.

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Prudential Environmental, Social and Governance Summary Report

As a leading global insurance provider and asset manager, Prudential is firmly committed to sound environmental, social and governance stewardship (ESG) practices, on behalf of our employees, shareholders, customers and society as well as future generations. ESG issues are an integral component of our long-term strategy and our Company's purpose to make lives better by solving the financial challenges of our changing world.

The pressing challenges facing our world today highlight the intersectionality of issues such as ethical governance, environmental stewardship and systemic inequities. As a Company, we believe Prudential must be part of the solution not only within its own scope of control, but by using its influence and example in a spirit of mutual advancement. To further expand on our historical leading ESG practices, this report features enhanced disclosures in the following areas:

- Reporting on the status of the Company's Global Environmental Commitment's operational and investment targets.
- Disclosure of our employees' race/ethnicity and gender by job category, including preliminary EEO-1 data for 2020.
- Actions taken to support the Company's nine commitments to racial equity, including disclosure of our diversity talent goals, which will serve as a baseline to illustrate our progress going forward.
- Disclosure of the Company's gender and pay equity results.

This report was created as a supplement to our existing suite of environmental, social and governance disclosures located on our [website](#), in our [Sustainability Report](#), which includes related Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) indices, our Global Environmental Commitment, and our [annual report and proxy statement](#).

Our commitment to implementing strong environmental, social and governance policies and activities remains a key priority. We intend to share our progress annually to ensure our investors and other stakeholders are informed of our commitment to this critical work as a moral and business imperative.

Disclosure Statement: Portions of this report contain aspirational or otherwise forward-looking statements. Actual results may differ, possibly materially, from the Company's expectations or predictions expressed in the report. See our annual report for the year ended December 31, 2020 and our 2019 Sustainability Report for additional important information about these forward-looking statements.

Prudential's Board of Directors and Governance Framework

Prudential's Board of Directors is committed to sound and effective corporate governance practices on behalf of our employees, shareholders, customers and society. The Board's oversight extends to Prudential's corporate strategy, environmental sustainability, human capital and corporate culture. In addition, three of our Board members sit on the Company's Corporate Social Responsibility Oversight Committee. These Directors inform the Company's social responsibility efforts in investing for financial and social returns, strategic philanthropy, employee engagement and corporate community involvement.

BOARD STRUCTURE

As reflected in our [Corporate Governance Principles and Practices](#), our Board believes that strong, independent leadership is a critical aspect of effective corporate governance. Eleven of our 13 board members are independent. With oversight by the Corporate Governance and Business Ethics Committee, the Board's current composition is the result of a thoughtful process informed by the Board's annual self-evaluation, which is conducted by an independent third party, and feedback received from the Company's engagement with shareholders and other stakeholders.

Over the last five years, the Board has undergone significant Director refreshment. When evaluating qualified Board candidates, the Corporate Governance and Business Ethics Committee considers individuals who possess skills that align with Prudential's current and long-term global business strategy.

The Corporate Governance and Business Ethics Committee also considers the Board's composition in the context of the diverse communities and geographies we serve. We require a diverse candidate pool for all Director searches and evaluate a nominee's experience, education, skills, gender, race, ethnicity and other qualities in the context of the entire Board. Today, 82% of our independent Directors are diverse.

HUMAN CAPITAL

The Board's commitment to inclusion and diversity cascades throughout the organization. We believe Prudential's diverse, global talent pool is a point of differentiation in the market and the foundation for our success. The Company's investment in attracting, developing and retaining talent representative of our multicultural and global customers is vital to the creation and protection of Prudential's long-term shareholder value.

Talent development is discussed at every Board meeting, and once per year, the Board devotes time to discuss talent at each business and functional leadership level across the Company. This engagement gives the Board rich insight into the Company's talent pool and succession plans.

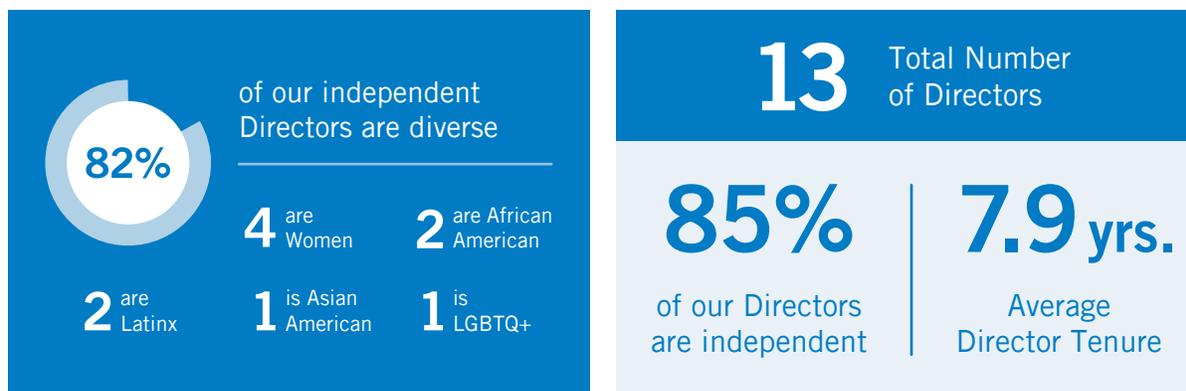
THE CORPORATE GOVERNANCE & BUSINESS ETHICS COMMITTEE

oversees Prudential's environmental and sustainability strategy and progress to minimize reputational risk and focus on future sustainability, including climate change. Our commitment to mitigating the risks of climate change is collaborative across the global businesses to achieve our investment and operational goals and targets. Each individual business is responsible for implementing our environmental commitment, with oversight from the Board and support from key personnel within the business.

CULTURE

Our culture is a critical asset and reflects our values, our practices and our people. Prudential's culture unifies our employees across our businesses. Our Board believes employees' actions are significantly influenced by an organization's culture and that corporate environment influences how employees make decisions. Our Directors are encouraged to directly engage with Prudential employees—at all levels—to gain insight regarding how employees throughout the organization are aligned with the business model and our values. Prudential Directors have spoken at our Business Resource Groups' (BRG) events including the Black Leadership Forum, Juntos (Latinx employees), PRIDE (LGBTQ+ employees) and Women Empowered.

For more information about Prudential's Board of Directors, please see [Prudential's corporate governance section](#) of our website prudential.com.



Diversity, Equity and Inclusion at Prudential

Prudential has long had a commitment to advancing inclusion and racial equity. Our ongoing efforts are aimed at driving positive change by creating opportunities for success both within and outside of our organization. Our approach is rooted in the belief that this is both a moral and business imperative.

Our senior management team understands that this work takes time. We are acting with a sense of urgency to identify and take action in areas that allow Prudential to have a meaningful impact and serve as a model for inclusion and diversity by:

LEADING BY EXAMPLE

Creating an inclusive environment starts at the top and extends to all employees. Our Board and Executive Leadership Team (ELT) are accountable for our inclusion and diversity practices and policies. We lead by example—fifty percent of our Executive Leadership Team are diverse.

Prudential's Enterprise Inclusion Council, which has met quarterly since it was founded in 2019, is chaired by Prudential Chairman and CEO, Charles Lowrey. The Council is tasked with ensuring C-suite accountability for inclusion and diversity, and comprised of executive and senior leaders, and the heads of Prudential's Business Resource Groups. Discussions include real-time feedback on employee sentiment as well as our talent practices. The meetings are a valuable source of input for senior leaders to understand how our inclusion and diversity practices are impacting the day-to-day experiences of our employees.

COMMITTING TO EMPLOYEE DIVERSITY GOALS WITH ACCOUNTABILITY

Our Diversity Goals

Our Board expects Prudential's senior leadership team to set the standard for inclusive behavior and weave their standards into our corporate culture. Recognizing that diversity is imperative to the Company's vitality, in 2018, we instituted a modifier for our 2018–2020 performance shares plan for the senior vice president level and above that was subject to a performance objective intended to improve the representation of diversity among senior management. As disclosed in our Company's 2021 proxy statement, we achieved our goal of increasing representation of diverse persons among our senior management by five percentage points.

Due to the success of this program, in December 2020, we committed to the following set of diversity goals for our senior and mid-level leaders to be attained by 2023:

- Increase overall diversity of our most senior leader population by 10% and increase our percentage of Black and Latinx employees by at least 25%.¹
- For our mid-level leaders, increase the percentage of people of color by 8% and increase our percentage of Black and Latinx employees by at least 25%.²
- Close the gap in our employee engagement scores of our Black employees relative to other employees.

¹ Our definition of "diverse" includes people of color, women, LGBTQ+, differently abled and veterans.

² Our definition of "people of color" includes Black, Hispanic, Asian, Pacific Islander, Native American, Alaskan native and Hawaiian natives.

Actions to Achieve Our Diversity Goals:

- **Tie compensation to achievement of our diversity goals** through a diversity modifier that is applied to the long-term compensation plan of senior executives. Please see the Company's 2021 proxy statement for a description of the Inclusion and Diversity Talent Goals.
- **Build a talent marketplace** that emphasizes skills to drive access to jobs to all candidates and stretch opportunities for internal candidates.
- **Change our promotion process** so all employees are aware of open opportunities and have more access to advancement.
- **Identify and address talent micro-practices** to promote greater access, opportunity and equity by integrating best-in-class external practices internally at Prudential such as ensuring diverse candidate slates and interviewers for open positions.
- **Incorporate significant changes introduced in 2020 into performance management process** to further ensure a process based on merit and accountability.

ENHANCING INCLUSION AND DIVERSITY DISCLOSURE

To solidify our commitment and provide transparency on our progress, we have provided enhanced disclosures around the diversity representation of our workforce in the Inclusion and Diversity by the Numbers section of this report.

COMMITTING TO INCLUSION

Promoting Inclusion Through Our Business Resource Groups

Our eight Business Resource Groups (BRG) are employee-led organizations designed to promote an inclusive culture to support strategic business goals. Today, 32% of our U.S. employees participate in at least one BRG. Members can grow professionally and expand their networks. Additionally, the BRGs provide an opportunity for our businesses to leverage diverse employee perspectives to inform product development, talent management and market strategy.

32%

U.S. BRG Employee Membership

Prudential's Business Resource Groups:

- ADAPT:** Abled and Differently Abled Partnering Together
- APA:** Asian Pacific Islander Americans
- BLF:** Black Leadership Forum
- PRIDE:** Lesbian, Gay, Bisexual, Transgender and Queer+ (LGBTQ+)
- Generations:** Promoting Open Dialogue Across Generations
- Juntos:** Latinx and Allies
- VETNET:** Military, Veterans and Veteran Supporters
- Women Empowered**

Cultivating Diverse Talent

We utilize traditional and emerging strategies and organizations to recruit and support diverse talent. Our efforts have been successful. As illustrated in the Inclusion and Diversity by the Numbers section of this report, 64% of external hires in 2020 were diverse. We have long-standing relationships with many organizations to help us attract diverse candidates. These include:

64%
of external hires in 2020 were diverse

ASCEND • Association of Latino Professionals for America (ALPFA) • Anita Borg Blue Circle Leadership • Hispanic Association on Corporate Responsibility (HACR) • Getting Hired • GI GO Fund • Integrate Advisors • Jopwell • National Association of Black Accountants (NABA) • National Organization on Disability (NOD) • National Association of Female Executives (NAFE) • Odyssey • Prospanica CT & NJ • Reaching Out MBA (ROMBA) • Student Veterans of America • YearUP • Disability:IN • Out and Equal, and more.

Our inclusion vision is the shared responsibility of all Prudential employees, supported by an in-house team of diversity, equity and inclusion (DEI) experts. In addition to expertise, the team brings capabilities in strategic philanthropy and impact investing and a robust set of partnerships that are driving Prudential’s efforts to promote social justice by building inclusive workplaces inside and outside of Prudential, accelerating economic mobility and creating thriving neighborhoods. This work spans over 40 years and remains a critical part of our DEI efforts.

COMMITTING TO ADVANCE RACIAL EQUITY

With the Board of Directors’ full support, in August 2020 Prudential announced nine commitments to advance racial equity for our people, through our businesses and in our society. These commitments build on Prudential’s long history of promoting inclusive economic growth through our investments, buying power, thought leadership, hiring practices and professional development initiatives. The table below describes our commitments and highlights of our progress.

TAKING ACTION FOR OUR PEOPLE	
COMMITMENT	ACTIONS
Provide Equal Opportunity for All Employees	<ul style="list-style-type: none"> Refining performance management and promotion processes. Building a skills-based talent marketplace.
Establish Goals with Accountability	<ul style="list-style-type: none"> Rigorous analysis of our workforce and talent markets resulted in establishing the diversity goals discussed on page 5.
Mandate Inclusion Training for all U.S. Employees	<ul style="list-style-type: none"> 2,500 employees completed inclusion training between September and December 2020. The remaining approximately 13,500 U.S. based employees to complete at least one inclusion training program by December 31, 2021.
Create Ways to Reflect and Engage	<ul style="list-style-type: none"> Observe Juneteenth as a day of education and reflection. Election Day established as meeting-free for U.S. employees. Non-exempt employees offered up to two hours of paid time off to vote. 7,000 U.S. employees attended two racial equity Town Halls.

TAKING ACTION WITH OUR BUSINESS

COMMITMENT	ACTIONS
Design and deliver products, services and operations in every business and function to improve racial equity outcomes	<ul style="list-style-type: none"> • Launched business strategy to address financial wellness priorities of Black consumers. • Business and function leaders creating inclusion plans to embed inclusion and racial equity into their strategies supported by 25 Racial Equity Ambassadors.
Allocate resources for R&D capital to incubate inclusive products, services and distribution channels	<ul style="list-style-type: none"> • \$10 million contribution to the Financial Solutions Lab to help move low- to moderate-income consumers to the middle class.

TAKING ACTION IN SOCIETY

COMMITMENT	ACTIONS
Accelerate our social justice public policy agenda, focusing on criminal justice reform, police reforms addressing racism, voting rights and closing the racial wealth gap	<ul style="list-style-type: none"> • Partnered with nonprofits and community organizations to help educate policy makers on economic justice issues. • Chairman and CEO Charles Lowrey serves on New Jersey Governor Phil Murphy's Restart and Recovery Commission. • Supported New Jersey police body camera requirements. • Support Congressional bills requiring C-suite and Board diversity disclosures.
Allocate resources to invest in institutions, ventures and high-impact nonprofits working to remove structural barriers to Black economic empowerment	<p>Prudential has more than \$100 million in active corporate contributions and philanthropic grants focused on advancing racial equity. In addition Prudential:</p> <ul style="list-style-type: none"> • Made a \$180 million commitment to opportunity youth through 2025, creating pipelines to quality jobs for underserved young adults around the world. • Provided \$1.25 million in new financial contributions to support criminal justice and police reform, mentorship and narrative change in 2020. • \$58.41 million in new authorizations as part of our \$1 billion in impact investment portfolio focused on equity and inclusion. • Committed \$10 million to Rutgers-Newark campus Honors Living-Learning Community to fund the "Prudential Scholars Program" for the city's residents.

Inclusion and Diversity By the Numbers

TOTAL WORKFORCE

GLOBAL	U.S.	INTERNATIONAL	WOMEN	MEN
41,671	16,196	25,475	48%	52%

PRELIMINARY 2020 CONSOLIDATED U.S. EMPLOYER INFORMATION REPORT (EEO-1)

The summary table below displays Prudential, Inc.'s U.S. workforce by EEO-1 job category as of December 31, 2020. The preliminary results in the table are supplied in advance of the official EEO-1 filing, which commences in April 2021.

Job Categories	Gen.	Hispanic or Latino	White	Black or African Americans	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	All Race Groups	Size of Population by Job Category
Executive/Sr. Managers	M	3.3%	53.1%	2.5%	0.0%	6.4%	0.0%	0.7%	66.0%	3.7%
	F	1.5%	26.8%	1.8%	0.0%	3.5%	0.0%	0.5%	34.0%	
First/Mid-Level Managers	M	3.0%	44.0%	2.2%	0.1%	11.1%	0.1%	0.5%	60.9%	30.0%
	F	1.9%	27.1%	2.3%	0.1%	7.2%	0.1%	0.4%	39.1%	
Professionals	M	3.4%	30.4%	3.0%	0.1%	7.2%	0.0%	0.9%	45.0%	47.9%
	F	4.0%	36.1%	6.8%	0.1%	7.0%	0.0%	1.0%	55.0%	
Sales Workers	M	3.8%	63.7%	6.4%	0.0%	3.0%	0.0%	1.7%	78.6%	3.9%
	F	0.8%	16.3%	1.7%	0.0%	2.2%	0.0%	0.3%	21.4%	
Administrative Support Workers	M	4.7%	17.0%	4.1%	0.0%	1.2%	0.0%	0.5%	27.4%	14.4%
	F	9.9%	42.9%	15.0%	0.1%	2.5%	0.3%	1.8%	72.6%	
Service Workers	M	14.3%	39.3%	25.0%	0.0%	0.0%	0.0%	0.0%	78.6%	0.2%
	F	14.3%	7.1%	0.0%	0.0%	0.0%	0.0%	0.0%	21.4%	
All Job Categories	M	3.5%	34.7%	3.1%	0.1%	7.3%	0.0%	0.7%	49.3%	
	F	4.0%	33.2%	6.3%	0.1%	6.1%	0.1%	0.9%	50.7%	

U.S. DIVERSITY TRENDS AND BENCHMARKS

Prudential benchmarked its workforce composition against the most recently available EEO-1 Finance & Insurance Industry data. The Company exceeds the industry in the following categories:

- Executive/Senior Level Officials and Managers: Women, People of Color, Asian, Black and Latinx
- First/Mid-Level Officials and Managers: People of Color, Asian
- Professionals: Women, People of Color, Asian, Black and Latinx

JOB CATEGORY		WOMEN	PEOPLE OF COLOR	ASIAN	BLACK	LATINX
Executive/Sr. Level Officials and Managers	Prudential	34%	20%	9.9%	4.3%	4.8%
	EEO	31%	14%	6.1%	2.6%	3.7%
First/Mid-Level Officials and Managers	Prudential	39%	29%	18.3%	4.5%	4.9%
	EEO	48%	25%	9.8%	6.9%	6.5%
Professionals	Prudential	55%	34%	14.2%	9.8%	7.4%
	EEO	52%	31%	12.5%	9.2%	6.9%

The table includes the latest 2018 EEO-1 benchmarks published by the U.S. Equal Employment Opportunity Commission.

U.S. WORKFORCE COMPOSITION 2019 vs. 2020

The table below compares the composition of Prudential's U.S. workforce between 2019 and 2020. In 2019, Prudential offered a Voluntary Separation Program (VSP) to its U.S. employees for separation dates throughout 2020. In the context of the VSP and workforce-reduction impact, the Company's diversity representation remained relatively consistent.

Prudential's annual turnover rate in 2020, excluding those who participated in the Company's VSP, is 9%. When VSP participants are included, the turnover rate increases to 20%. In both cases, Prudential remains below the Finance and Insurance Industry's benchmark of 24% (Source: Bureau of Labor Statistics).

JOB CATEGORY		WOMEN	PEOPLE OF COLOR	ASIAN	BLACK	LATINX
Executive/Sr. Level Officials and Managers	2020	34%	20%	9.9%	4.3%	4.8%
	2019	33%	17%	8.9%	3.9%	3.7%
First/Mid-Level Officials	2020	39%	29%	18.3%	4.5%	4.9%
	2019	40%	28%	17.3%	4.7%	4.6%
Professionals	2020	55%	34%	14.2%	9.8%	7.4%
	2019	56%	33%	13.7%	10%	7.6%
Total Population	2020	51%	32%	13.4%	9.4%	7.5%
	2019	52%	31%	12.6%	9.8%	7.1%

U.S. TOP LEADERSHIP DIVERSITY METRICS

Top Leadership is defined as senior leaders who are within three reporting-levels below our Chairman and CEO and Vice-Chairman. We consider this population as key decision-makers and influencers of change and culture at the Company.

	DIVERSE	WOMEN	PEOPLE OF COLOR	ASIAN	BLACK	LATINX
Top Leadership	54%	37%	27%	15%	5%	6%
1 Level Down from Chairman and Vice Chairman	44%	38%	11%	11%	0%	0%
2 Levels Down from Chairman and Vice Chairman	59%	41%	28%	14%	7%	5%
3 Levels Down from Chairman and Vice Chairman	53%	35%	28%	15%	4%	6%

Note: Administrative assistants, support staff and individual contributors are excluded from the above figures. Top Leadership cohort represents less than three percent of the total U.S. employee population.

U.S. EMPLOYEE RECRUITING

In 2020, Prudential filled over 2,700 positions in the United States. We seek to hire diverse talent and our active outreach and recruitment efforts help ensure that a broad slate of candidates are considered. We drive internal mobility by continuously introducing and improving existing tools and processes to cultivate the talents of Prudential's current employees. As a result of these efforts, in 2020, half of the *Experienced* positions were filled internally.

POSITIONS FILLED	DIVERSE	WOMEN	PEOPLE OF COLOR	ASIAN	BLACK	LATINX
All Recruiting	67%	49%	35%	14%	9%	9%
Internal Recruiting	73%	57%	33%	13%	10%	8%
External Recruiting	64%	43%	37%	14%	9%	10%

Practices to Promote Pay Equity

Our Board of Directors' actions are guided by our commitment to be a leader in the advancement of equal pay for equal work. In support of this commitment, Prudential's Board of Directors reviews and provides oversight of the Company's pay practices.

Prudential's pay policies and practices promote pay equity throughout an employee's career in a holistic integrated approach. This practice starts before an employee joins our organization. We reduce the likelihood of perpetuating historical or a prior employer's pay inequity by not considering or asking (except where required by law) a candidate's compensation history in the application process, and establishing starting pay based on gender- and race-neutral considerations.

Throughout an employee's career with Prudential, we review pay on an ongoing basis to safeguard against any systemic gender- or race-based pay inequity by:

- Periodically engaging independent external experts to audit for any systemic pay inequities and empowering them to determine the appropriate methodology to analyze our results.
- Providing multiple avenues, including on an anonymous basis, for any employee to raise a concern about discrimination including with respect to pay.

We periodically retain independent external experts to conduct pay equity analyses for our U.S. population. Described below are the 2018 and 2020 results.

PAY EQUITY RESULTS

2018	2020
<p>Total Compensation (specifically, salary, bonus and equity) was evaluated and the results showed, when accounting for relevant factors including job and location:</p> <ul style="list-style-type: none"> • Women employees were paid at least 100% of the pay of male employees. • Asian employees were paid at least 100% of the pay of White employees. • Black employees were paid 99.9% of White employees. • Latinx employees were paid 99.4% of non-Latinx White employees. 	<p>Salary was evaluated and the results showed, when accounting for relevant factors including job and location:</p> <ul style="list-style-type: none"> • Women employees were paid at least 100% of the pay of male employees. • Asian employees were paid at least 100% of the pay of White employees. • Black employees were paid 99.0% of the pay of White employees. • Latinx employees were paid 98.3% of the pay of non-Latinx White employees.

The next pay equity analysis of Total Compensation is planned for 2022.



Board Oversight of Pay Practices



Independent Third Party Analysis



Multiple Avenues to Address Pay Concerns

Learning and Talent Development Programs

Prudential is building a future-ready workforce and anticipating the required skills through a large-scale, transformative initiative that is addressing the impact of rapid changes in customer behaviors and needs, technology and the competition.

Our holistic and transparent talent development practices are embedded in Prudential's culture. The systemic method begins with our talent acquisition process. We take a skills-based approach to presenting job opportunities in alignment with the Company's strategic business objectives. Our development mechanisms are rooted in our continuous learning offerings, transparent performance management process, and talent transformation programs to help our employees train for and perform the jobs of tomorrow.

SKILLS ACCELERATOR

Our "Skills Accelerator" is a personal professional development program that is open to all employees, and "EMPOWER" is a program designed to encourage employees to dedicate time to aligning their skills with Company needs and jobs of the future. Through EMPOWER, employees earn badges that are displayed on their Skills Accelerator profile to recognize the time they have spent on skills development. Skills Accelerator allows employees to access career support services, upskilling and reskilling options without manager approval, and most importantly, to seek new career opportunities within the Company. Over 80% of our employees activated their profiles within the Skills Accelerator and are currently using the site to take charge of their careers in a transparent, frictionless way.

80%

of employees
activated Skills
Accelerator

LEADERSHIP ESSENTIALS

"Leadership Essentials" focuses on areas of development for leaders of others. The course is composed of four main modules and each module is aimed at providing leaders with the core development experiences needed to lead teams at Prudential and deliver on the Company's purpose and aspirations. Inclusion and diversity themes were embedded throughout the course to help managers more fully embody Prudential's culture and values.

PRUCORPS

We are applying agility and flexibility to deploy our resources, enabling us to build capacity where it is needed. "PruCorps" is an example of our adaptability and culture of customer service. When high volumes in our call centers demanded more resources, PruCorps was created to rapidly reskill and deploy over 200 employees to centers to respond to our customers' needs. This successful program instilled pride and collaboration across the enterprise.

TRAINING AND DEVELOPMENT PROGRAMS

INITIATIVE	PERCENT OF ELIGIBLE EMPLOYEES COMPLETED	NUMBER OF HOURS COMPLETED
Skills Accelerator	81%	N/A
EMPOWER	44%	67,483
Career Partner Sessions	11%	6,245
Compliance Training	100%	38,000
Leadership Essentials	75%	3,785

TRANSFORMATIONAL LEADERSHIP PROGRAM

The “Transformational Leadership Program” is designed to expand Prudential’s talent pipeline by addressing the unique challenges of multicultural women in the workplace. The program provides a framework and tools to enhance leadership effectiveness through web-based discussions, course-specific learning, case studies and peer to peer interactions.

INCLUSION AND DIVERSITY TRAINING

Our most recent mandatory diversity and inclusion training for all U.S. employees commenced in late 2020 and addresses core issues such as understanding racism and bias, building cultural intelligence and using tools and techniques to take action to support an inclusive culture. The goal is for all employees to develop a baseline understanding of these concepts. All U.S. employees will complete at least one inclusion training program by December 31, 2021.

All employees have access to career coaching services and training courses that elevate our culture and drive our commitment to racial equity and best in class leadership. Our strong commitment to the employee experience and development of future skills has been a driver of our employee engagement, which you can read more about in this report’s Global Employee Engagement section.

Global Employee Engagement

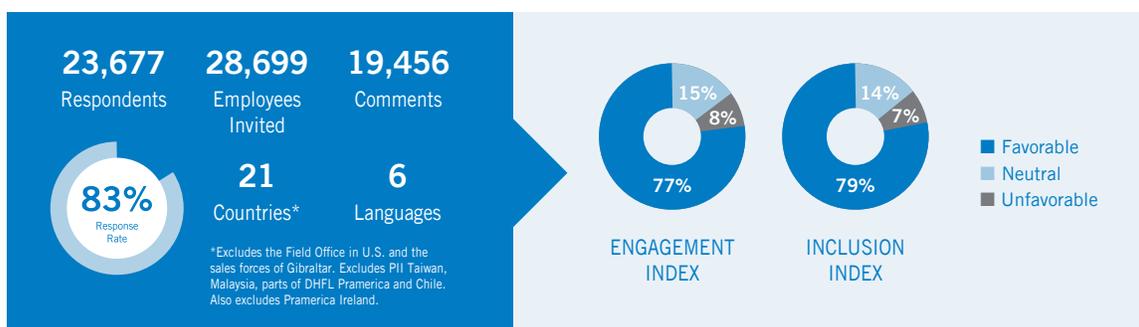
We believe the best and most transformative decisions are made when we listen and reflect on the diverse voices of our people. In 2020, Prudential’s polling and survey programs collected over 52,000 responses across 48 events, some of which related to our pandemic response. We “listen” with the goal of understanding experiences, behaviors, attitudes and perceptions of leadership, culture and key organizational issues at any given time, in order to help inform decisions about our people, programs, processes and policies.

Prudential’s global employee engagement survey, fielded across 21 countries and in six languages, received an 83% response rate in 2020. Survey results showed that employee engagement increased, and our Inclusion Index remained steady despite an unprecedented year. Results also revealed that talent development remains a key driver of engagement and a prominent theme in employee comments. Survey respondents raised topics addressing common hurdles such as career advancement at Prudential, and opportunities for exposure within the larger enterprise, which feel magnified by the reality of working remotely during the pandemic.

Over time, we will use our Engagement and Inclusion Index scores, which we created to better gauge diverse employee sentiment, to reflect progress and tell us what is working and areas where we can do more.

The survey results and the process of continuous improvement that ensues is discussed with the Board at least annually. Senior leaders are committed to listening and responding in ways that have meaningful impact, including recent changes to our performance management practices, manager training and internal mobility enhancements.

2020 EMPLOYEE SURVEY



Engagement: Average favorability score of employee engagement indicators: job satisfaction, advocacy, discretionary effort and intent to stay.
 Inclusion: Average favorability score of various facets that reflect an inclusive environment: communication, respect, ethical culture, growth opportunities, empowerment, innovation, flexibility and feeling valued.

Environmental Sustainability

In 2019, Prudential issued a Global Environmental Commitment to ensure the long-term value of both our operations and investments by acknowledging the risk of global climate change, meeting the challenges and opportunities that climate change presents for our business, and reducing our own environmental impacts. For additional information visit our [website](#).

ENVIRONMENTAL REPORTING	
GOALS	STATUS
Increase robust reporting in annual sustainability report	Scope 3 emissions employee travel added
Achieve and maintain Management-Level CDP scores	Received A- CDP Climate Rating
Publish specific asset level reporting	Approximately \$183B (34%) of the General Account's assets have ESG identifier
Publish information and progress on General Account investment allocations	Engaged Trucost to perform carbon footprint and climate change analysis covering 70% of full portfolio across all asset classes A physical and transition risk analysis covered 50–70% of public debt and equity portfolios metric dependent

RESPONSIBLE USE OF NATURAL RESOURCES	
GOALS	STATUS
Reduce domestic emissions by 65% by 2050	Reduced domestic emissions 19% in 2020 from 2017 base year—30% toward goal
Achieve 65% waste diversion by 2025	Achieved 42% waste diversion for countries within our goal boundary in 2019
Continue internal initiatives to reduce paper use	Created American Forest partnership to support Zero Paper aspiration
Develop both internal and public-facing ESG Policy	Implemented internal ESG Investment Policy Statement
Invest in companies and projects that responsibly reduce emissions, water consumption and/or waste generation	Issued green bond in March 2020 in alignment with SDG 6, 7, 11, 12 and 15
Allocate 10% of Impact Investing portfolio to companies and projects that promote sustainability and resiliency by 2025	As of 12/31/2020, Impact Investments has \$61 million, or 6% of its fair market value of investments in companies and projects promoting sustainability and resiliency
Grant \$25 million by 2025 to support response to climate-related natural disasters via Prudential Foundation	Prudential Foundation provided \$2.5M investment to ROOT Capital for sustainable farming operations in developing countries

RESILIENCY PREPARATION	
GOALS	STATUS
Continue strengthening our business continuation activities	Examined geographic concentrations of risk related to pandemics or natural disasters PGIM Real Estate mapping water risks against location of investments in the portfolio
Invest in long termism and businesses and projects that support resiliency	Completed ASHRAE Level 2 Energy Audit of Prudential Plaza and Washington Buildings

ENGAGEMENT & EDUCATION	
GOALS	STATUS
Create robust employee engagement opportunities to creatively and consistently communicate the importance of environmental sustainability	Green Teams organized a weeklong virtual Earth Day event
Commit to engaging 100% of our top vendors to support progress toward the Global Environmental Commitment	Engaged 100% of top vendors to complete the CDP Supply Chain survey
Expand our public policy engagement to support topics aligned with the Global Environmental Commitment	Climate initiatives engagement resulted in development insurance sector climate risks papers and providing feedback on global supervisory guidance to the supervision of climate-related risks
Become a go-to provider for thought leadership on sustainable investing strategies	Increased industry engagement through Geneva Associations, 2 Degree Investing, Ceres, NYDFS and BlackRock ESG group
Invest or grant dollars to companies and organizations that change public perception toward a more environmentally responsible society	Provided predevelopment loan to repurpose vacant elementary school in Chicago into 102 apartments, reducing waste and meeting the city's green building standards