

## Revised CHL Policy Standard

### **6.8 Confidential Reporting Requirements (“Speak Out”)**

This Policy is a Regulatory requirement and Group-wide in scope. This Policy applies to All staff and the reporting mechanisms are made available to staff, contractors, vendors, agents and clients. The Policy reinforces one of the Prudential Group’s core values: Integrity. Our “Group Code of Business Conduct” demands the highest possible professional and ethical standards. “Speak Out” is the name given to the enhanced Confidential Reporting system being rolled out across the Group and is in place to receive concerns raised by staff, contractors, vendors and agents alike.

All BUs must:

- GSFCHL.1** Advertise the existence of the Group Speak Out website (link to Speak Out website when available) and Toll-free Confidential Reporting telephone numbers. BUs must publicise “Speak Out” to all staff in a manner and language appropriate to the region and the BU.
- GSFCHL.2** Reported concerns, irrespective of routing, must be recorded onto the Speak Out case management tool within 24 hours. Speak Out routed cases will be recorded by the Speak Out operators, but concerns raised through other routes should also be recorded. As a minimum, the record must contain: the date it was received, its classification, a brief summary of the concern, an updated outcome and up to date brief of the actions taken in addressing the concern (including investigative and/or disciplinary action).
- GSFCHL.3** Ensure that access to the information, records and technology of the Speak Out system is strictly limited to specified trained and suitably experienced personnel, authorised by Group Security.
- GSFCHL.4** Ensure that each concern is treated in confidence and that the anonymity of the person raising the concern (if the concern is raised anonymously) is maintained where legally permissible. No steps should be taken to identify the person raising the concern during the lifetime of the investigation, or thereafter.
- GSFCHL.5** Ensure that they do not discharge, threaten, suspend, reprimand, harass, discipline, withhold or suspend payment of salary and/or benefits, demote, transfer or otherwise take any disciplinary or retaliatory action related to the terms and conditions of employment against any employee, agent or Group representative for lawfully raising any concern where they have reasonable belief that the information is true. This applies equally to the protection of any parties involved in addressing any concerns raised (e.g. witnesses).
- GSFCHL.6** Ensure that all line management are aware of the ‘zero tolerance’ to retaliation against reporters of all concerns raised through Speak Out.
- GSFCHL.7** Pass full details of all Priority 1 or potential Priority 1 concerns to the Group Resilience Director within 1 working day of the matter coming to their attention. If a concern relates to the Group Resilience Director the matter will be referred directly to the Group Legal Director, who will be responsible for overseeing the investigation.

Concerns are classified as follows:

- Priority 1 are those alleging financial or accounting fraud, misappropriation of corporate funds, theft or other financial impropriety / misconduct, espionage or sabotage, material violation of confidentiality, supplier or customer financial impropriety, significant deficiencies or material weaknesses in the Group’s systems of internal controls or any other significant issue related to auditing or accounting matters that may have a material effect on the Group’s consolidated financial statements. This includes staff fraud, issues attracting media attention and share price

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affecting incidents and mirrors the Group Security reporting requirements detailed within the Group Governance Manual Reporting: Table B.

- Priority 2 is for other types of incident.

**GSFCHL.8** Designate an appropriately trained and experienced person to be responsible for the recording and investigation of concerns in accordance with the Group's Investigations Policy. Appropriate investigation resource should be allocated within 2 days after receipt of a Priority 2 concern or where a Priority 1 concern remains with the BU to action.

**GSFCHL.9** Provide details of new and current cases to the Group Resilience Director who will report at each Group Audit Committee meeting with respect to concerns received since the most recent status report. The status report will also be provided to the Group Chief Executive, the Group Finance Director and the appropriate BU CEO as necessary. Periodic updates on current cases are required to support the preparation of these status reports and of annual reports on the effectiveness of the Speak Out system and controls to the Group Audit Committee.

**GSFCHL.10** Report any cases involving a member of staff who has raised a concern that has gone before an employment tribunal, labour court or any other judicial body that rules on employment-related matters and which has been lost by the firm.

**GSFCHL.11** Training on Speaking Out and awareness on how to raise a concern through Speak Out is mandated to ALL employees. Awareness material must be made available to contractors, vendors, agents etc. Additional mandatory training to be applied to all employees who operate the Speak Out arrangements and investigate concerns raised.

**GSFCHL.12** BUs must ensure that nothing in their arrangements (including any employment contract or settlement agreement or any other related or ancillary documents) prevents or discourages employees or agents from raising concerns directly to the local regulator or any other body empowered to receive Speak Out reports in the relevant jurisdiction, and should make employees and agents aware of their ability to raise concerns directly to local regulators, where such ability exists. UK BUs must comply with the specific requirements of the FCA/PRA in respect of their ability to disclose concerns directly to those bodies.

**GSFCHL.13** BUs to facilitate assurance reviews, conducted by Group Security, on the effectiveness of Speak Out arrangements and records. To include (but not restricted to): accurate & timely recording of concerns raised and outcomes of investigations; follow ups with those reporting concerns for their feedback and complaints about the service, or their post-reporting treatment; complaints of victimisation; relevant litigation; outcomes of Employment Tribunals where Speak Out concerns featured; awareness, training and communications with regard to Speak Out concerns; the quality and accuracy of reporting to BU Audit Committees; the quality, accuracy, completeness and speed of the investigation response.