



# RESEGMENTATION OVERVIEW

APRIL 14, 2026

# RESEGMENTATION OVERVIEW

## RE-ALIGNING SEGMENTS TO MORE CLOSELY REFLECT ACTIVE PRODUCTS, RESOURCE ALLOCATION, AND STRATEGIC FOCUS

- Prudential discontinued selling certain Traditional Variable Annuity (VA) and Guaranteed Universal Life (GUL) products as customer needs and company strategy evolved
- However, these products have been reported in and commingled with actively-sold products in our Retirement and Individual Life businesses
- Starting in 1Q26, we established a new “U.S. Legacy Products” reporting segment which:
  - Reflects how the businesses are managed, performance is assessed, and resources are allocated
  - Adjusts existing segments to isolate the impacts of discontinued products
  - Provides greater clarity on business trends and transparency into earnings power of our businesses

### STRATEGIC RATIONALE

Aligns presentation of segment financials with how our Retirement and Individual Life businesses are managed

Differentiates economics of actively-sold from discontinued products

Increases visibility into the underlying growth and earnings power of our businesses

# BUSINESS UNIT SUMMARY

## UPDATED SEGMENTS REFLECT HOW BUSINESSES ARE MANAGED AND HOW CAPITAL AND OTHER RESOURCES ARE ALLOCATED

- The below breakdown details which products are included within the new reporting structure

### RESEGMENTED BUSINESSES

#### RETIREMENT

- Remaining block of our Individual Retirement Strategies segment, consisting primarily of:
  - Registered Index-Linked Annuity products
  - Fixed Annuity products
- Our Institutional Retirement Strategies segment

#### INDIVIDUAL LIFE

- Remaining block of our Individual Life segment, consisting primarily of:
  - Term Life products
  - Indexed Universal Life products
  - Variable Universal Life products

#### U.S. LEGACY PRODUCTS

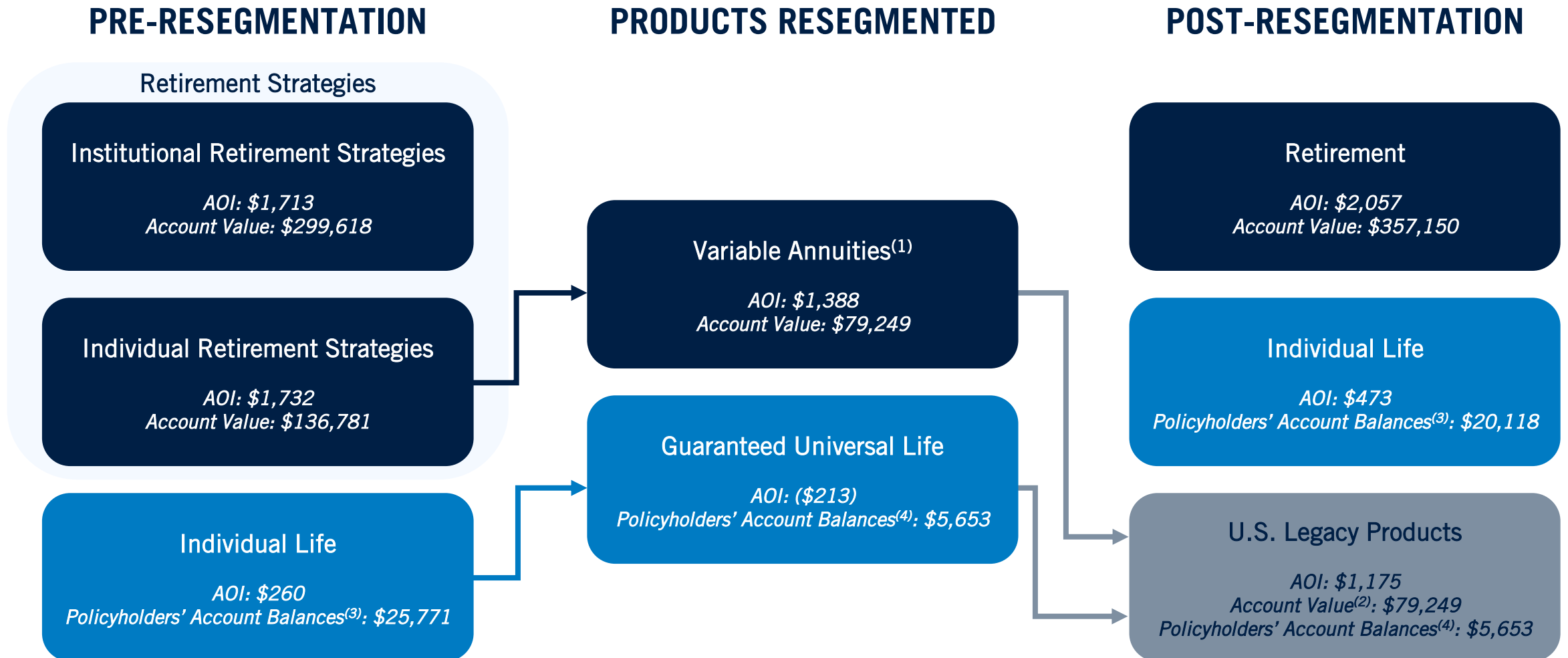
- Traditional Variable Annuities with guaranteed living benefit riders and certain other annuity products
- Guaranteed Universal Life policies



# IMPACTS FROM RESEGMENTATION

## SHIFTING OUR DISCONTINUED PRODUCTS TO A LEGACY SEGMENT INCREASES TRANSPARENCY OF ACTIVELY-SOLD PRODUCTS

(\$ millions, Balance Sheet and Income Statement as of Full Year 2025)



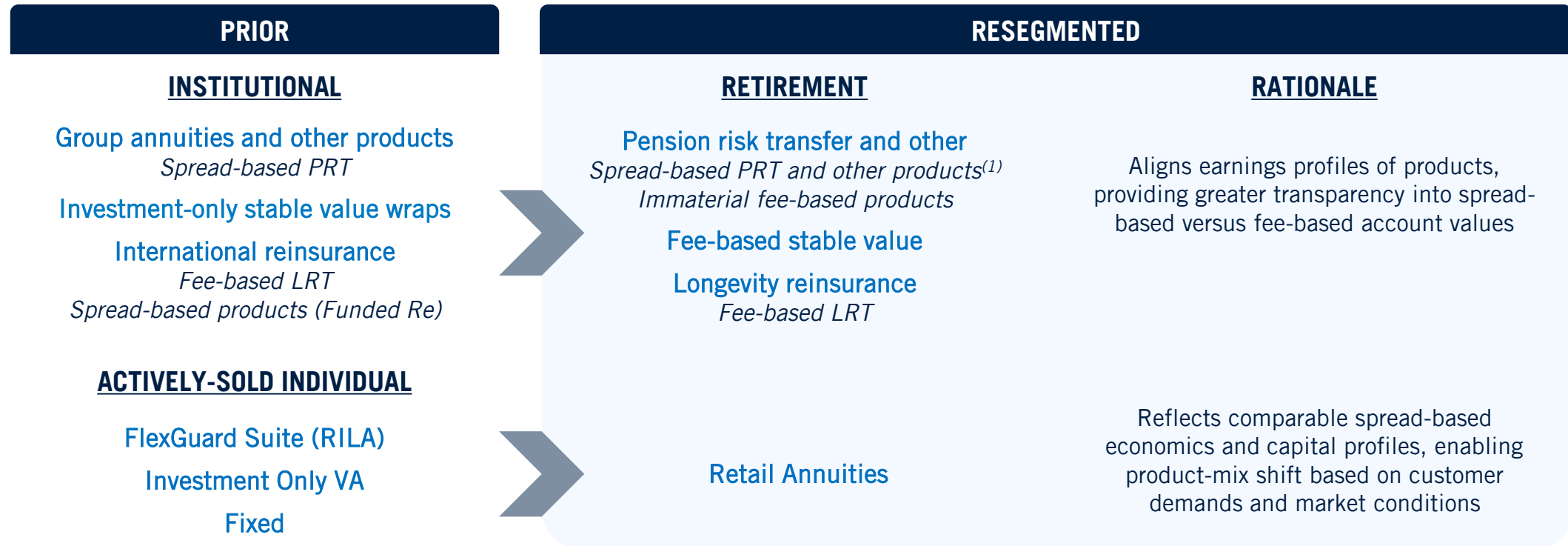
Note: See slide 8 for information about Adjusted Operating Income ("AOI"). All account values and policyholders' account balances are at the end of the period, net of reinsurance. (1) Includes Traditional Variable Annuities with guaranteed living benefit riders and certain other annuity products. (2) Represents discontinued annuities and guaranteed living benefits in general account and separate account. Includes alliance deposits and supplementary contracts. (3) Includes fixed rate funds, alliance deposits, supplementary contracts, and deferred revenues on variable and universal products. (4) Includes fixed rate funds and deferred revenues on guaranteed universal life products.



# IMPROVING TRANSPARENCY IN OUR RETIREMENT SEGMENT

## ADJUSTING PRODUCT GROUPINGS TO BETTER ALIGN SPREAD AND FEE-BASED EARNINGS PROFILES

- We have combined our Institutional Retirement Strategies segment with the remaining block of business in our Individual Retirement Strategies segment into a new reportable segment named “Retirement”
- Additionally, we have refined the product-level sales and account values disclosures as detailed below:



(1) Other products include Spread-Based Stable Value, Structured Settlements, and Funding Agreement-Backed Notes.

# FINANCIAL CONSIDERATIONS OF RESEGMENTATION

CREATING A CLEARER VIEW INTO OUR EARNINGS PROFILE AND NEW BUSINESS GROWTH

## GROWING PROFITABILITY OF RETAIL ANNUITIES

Our actively-sold retail annuities block is primarily comprised of spread-based products that are faster growing and less volatile, with more stable profitability building over time

## OPTIMIZE U.S. LEGACY PRODUCTS SEGMENT

Our traditional variable annuity block is a high-margin, fully seasoned, fee-based business where account value run-off reduces future earnings. While the annuity block is profitable, the earnings are sensitive to market performance, which can drive volatile financial outcomes

## FINANCIAL IMPACTS OF LEGACY VA RUN-OFF

Consistent with prior guidance, we continue to expect \$3-4 billion of quarterly traditional variable annuity account value run-off, translating to ~\$10-15 million of pre-tax AOI run-off per quarter, compounding to \$100-150 million annually, prior to market impacts on account values



# FORWARD-LOOKING STATEMENTS

Certain of the statements included in this presentation, including those regarding the expected impact of the segment reporting change discussed herein, including the expected AOI impact of quarterly account value runoff related to our legacy variable annuity block, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects”, “believes”, “anticipates”, “includes”, “plans”, “assumes”, “estimates”, “projects”, “intends”, “should”, “will”, “shall”, or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. Prudential Financial, Inc.’s actual results may differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements include, among others, losses on investments or financial contracts due to deterioration in credit quality or value, or counterparty default; losses on insurance products due to mortality experience, morbidity experience or policyholder behavior experience that differs significantly from our expectations when we price our products; and uncertainty regarding investigations into and remediation of matters such as the misconduct in Japan. Additional factors and uncertainties that could cause actual results to differ can be found in the “Risk Factors” and “Forward-Looking Statements” sections included in Prudential Financial, Inc.’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Each of our forward-looking statements contained herein is subject to the risk that we will be unable to execute our strategy and other risks. Prudential Financial, Inc. does not undertake to update any particular forward-looking statement included in this presentation.

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# ADJUSTED OPERATING INCOME ("AOI")

The Company analyzes the operating performance of each segment using pre-tax “adjusted operating income.” Adjusted operating income does not equate to “Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities” or “Net income (loss)” as determined in accordance with U.S. GAAP but is the measure of segment profit or loss used by the Company's chief operating decision maker to evaluate segment performance and allocate resources. Adjusted operating income is calculated by adjusting each segment's “Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities” for the following items: realized investment gains (losses), net, and related charges and adjustments; change in value of market risk benefits, net of related hedging gains (losses); market experience updates; divested and run-off businesses; equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests and redeemable noncontrolling interests; and other adjustments. For more information about adjusted operating income, see the “Segment Information” Note to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2025.

