



Leadership and Talent

An Interview with John R. Strangfeld,
Chairman and Chief Executive Officer, Prudential Financial, Inc.

EDITORS' NOTE John Strangfeld has served as CEO of Prudential Financial since January 2008 and Chairman of the Board since May 2008. He served as Vice-Chairman of Prudential Financial from 2002 through 2007. Prior to this, Strangfeld held a variety of senior investment positions at Prudential, both within the U.S. and abroad. He is a Trustee of The Prudential Foundation, where he serves on the Community Resources Oversight Committee.



John R. Strangfeld

COMPANY BRIEF A financial services leader with approximately \$859 billion of assets under management as of March 31, 2011, Prudential Financial, Inc. (www.prudential.com), has operations in the United States, Asia, Europe, and Latin America, and is committed to helping individual and institutional customers grow and protect their wealth through a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds, investment management, and real estate services.

Would you highlight the strength of Prudential Financial and provide an overview of the products and services that you offer?

For 135 years, we have been in the business of providing people with financial security and peace of mind in two areas: life insurance, to protect people and their families from the unforeseen; and retirement products, designed to help people maintain their quality of life in their retirement years.

In the U.S., 98 percent of Americans know the Prudential brand. We also have one of the most recognized and trusted brand symbols: The Rock, which has stood for strength, stability, expertise, and innovation for more than a century.

Our financial strength, coupled with our brand and reputation, have positioned us as a leader in our chosen areas of the financial services industry.

How do you differentiate Prudential Financial in the industry and define what makes the brand unique?

The talent of Prudential people is the single most important factor in our ability to differentiate ourselves from the competition over the long term, and enables us to be confident and responsive in times of both adversity and opportunity.

Our focus on leadership and talent touches every aspect of how we manage our operations:

It requires us to embrace collaboration and diversity; to understand where our skills are deep and strong, where we need to work harder to develop capabilities among our current employees, and where we need to seek fresh ideas; and it requires teamwork.

I am particularly proud of our recent efforts to support and develop talent among a segment of the population that all too often is not appropriately acknowledged and appreciated: Veterans of the U.S. Armed Forces, many of whom face reentry challenges when

they return home from service. We are developing a broad range of initiatives that will have a lasting impact on the lives of our Veterans and their families. For example, we are sponsoring a technology training program through Workforce Opportunity Services, a nonprofit organization, and Rutgers University, which is helping Veterans prepare for new careers. It's not only the right thing to do; it's a great talent acquisition strategy. That second dimension gives it sustainability. And we are inviting other companies to join us in sponsoring similar initiatives.

As a global brand, what are your key markets for the future?

Our International Insurance businesses have consistently turned in strong performance, thanks, in particular, to the continued growth of our highly successful businesses in Japan. In 2010, we saw double-digit increases in sales in our captive agency forces, which benefited from increased demand for both retirement income and life insurance protection products. We also saw growth in our bank distribution channel, where our emphasis on protection products has proved to be a strong competitive advantage. We are focused every day on evolving our businesses in response to market opportunities.

Our announcement in September 2010 to acquire AIG Star and AIG Edison from AIG for approximately \$4.8 billion was clear evidence of our superior financial strength. This acquisition, which closed in February 2011, is by far the largest we have undertaken as a public company. The addition of these operations has significantly increased Prudential's presence in Japan. Because Japan is the world's second-largest financial services market, we continue to see strong prospects for growth there. We have a proven track record of integrating acquired companies successfully into our existing businesses and we have demonstrated

that we can improve sales productivity, policy persistency, and product mix – capabilities that will help us capitalize on this growth opportunity.

Japan is home to our largest operations outside the U.S., and our employees there have been working tirelessly to assist our customers and relief efforts throughout the country.

How critical is CSR to the culture of the brand and how do you decide what areas to support?

As Chairman and CEO, I have the privilege of leading Prudential's corporate citizenship efforts. In truth, every Prudential employee serves a leadership role in citizenship. Ensuring that we do business the right way, managing the company's environmental footprint, and being engaged with our communities is the responsibility of each of our associates across the globe. Being socially responsible is part of Prudential's DNA.

Prudential Financial is headquartered in Newark, New Jersey, which has been undergoing a remarkable transformation. Are you happy with the progress being made to address challenges in the city and also the state?

We are extremely proud of our commitment to Newark and New Jersey. We were founded in Newark 135 years ago and the city continues to serve as our global headquarters today. We have more than 4,500 employees in Newark and nearly 8,000 statewide, which represents 40 percent of our U.S. employee population.

Our commitment to Newark and New Jersey has been unwavering. The New Jersey Performing Arts Center's Prudential Hall and Prudential Center, home to the New Jersey Devils, are the most visible examples. But we are also deeply involved in improving the communities and neighborhoods that make up our city and state through several public/private partnerships, philanthropy, and volunteerism.

Prudential and The Prudential Foundation are funding programs that are making powerful changes in public education in the city and state – projects to inspire new teachers, develop career pipelines in education, and support new administrative leadership. Our Social Investment Program is one of the nation's leaders in providing start-up capital and real estate financing for charter schools, and it is making loans to bring businesses and jobs back to Newark. And thousands of our employees volunteer to tutor school children and serve on the boards of nonprofit organizations that supply the lifeblood of the city's civic sector. ●